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[M]adrid talks end with the Soviets under pressure



[The] Helsinki review conference in [Ma]drid might appear to have been [...] considering that it ended shortly [after th]e Russians shot down the Ko[rean B]oeing 747.

[W]as this meeting, the latest in the [...] aimed at improving European se[curity] and co-operation, superfluous? [Or was it] in fact, a failure?

[The] West German government in [particu]lar has invested a lot of effort in [Madri]d and is firmly convinced that it [has ac]hieved results on certain issues [which] have benefitted the Federal Re[public] in the past and will do so in the [future].

[There] is a reference to the improve[ment] in the situation of individuals [describe]d rather unfeelingly in the official [langu]age of diplomats as "Basket 3".

[Mos]t important in this context is the [reunit]ing of families, being able to leave [the C]ommunist camp altogether or at [least] be released from prison. Many [...]s of German or Western Euro[pean] descent driven to the East as a [con]sequence of the war wish to go to a [...]land some have never seen.

[Al]l these are sad examples of the [...] state of human rights in the East [...] Thousands can be helped by rea[sona]ble agreements.

[Th]e conference in Madrid turnd into [a tr]ibunal for the Soviet Union. Not [only] the Western powers but also the [neut]ral states and those sympathising [with] this cause, among them the Swe[dish] Foreign Minister, wagged the fin[ger] of warning at the Soviet Foreign [Min]ister Andrei Gromyko.

[I]t is unlikely that a world power at an [inte]rnational conference has ever felt so [lone]ly.

[A]lthough this will not help the vic[tim]s of the airliner incident it may indirectly be advantageous for the coming disarmament talks. It may lead to such a condemnation of the shooting down of passengers aircraft that the Soviet Union will not risk such an international outrage a second time.

The reactionary party apparatus in Moscow has not become more humane because of this incident. However, the Soviets are very sensitive to loss of face and international condemnation. This is more painful to them than the cancellation of grain supplies.

The temporary ban on Soviet aircraft in the west and by neutral states is a sanction which should not be underestimated.

As strange as it may sound, during the past week the moral pressure has increased for the Soviet Union to show a more humane face on all fronts, to state its willingness not to shoot down civilian aircraft in future, and above all to present concessions in Geneva.

On the other hand, the moral losers in the West are those who demonstrate for peace and yet have not raised a finger to protest in a "non-violent" way against the Soviet's outrageous act.

West German Foreign Minister Genscher has gained the impression that the Soviets are beginning to modify their position in the question of the British and French deterrents.

However, as he underlines this is not a breakthrough, but only the starting-point for a compromise at a later date. Nobody knows what this compromise will look like.

The Americans are said to be no longer interested in the walk-in-the-woods proposal. As long as there are large numbers of SS 20s around, the Americans insist on a "mix" of Pershings and Cruise missiles.

This, however, can be seen as merely good negotiations tactics for the benefit of the Soviet Union.

If the renunciation of the "mix" were already to be offered as a concession today, the Soviet would immediately be making the next demand without having budged an inch themselves.

Madrid was not just a very small step on the way to "humanitarian improvements" and perhaps a reduction in the trigger-happiness of the Communist side.

The Soviet Union was confronted by international pressure to show a more humane face on the disarmament front.

The American position in Geneva has without doubt been strengthened.

Hans-Joachim Nimtz

(Frankfurter Neue Presse, 10 September 1983)



Ban on Soviet flights

Bonn Foreign Minister Hans-Dietrich Genscher being questioned by the Press in Madrid after Nato foreign ministers had decided on a ban on civilian flights to the Soviet Union in retaliation for the shooting down of the Korean Boeing 747.

(Photo: AP)

IN THIS ISSUE

Genscher steers conference clear of troubled waters



Everyone except Malta agreed on a final document after tough negotiations at the Helsinki conference on security and co-operation held in Madrid.

The final document adds a few more points to what was agreed in Helsinki in 1975.

It has now been decided to hold a conference on disarmament in Europe and two conferences on human rights.

The conference itself threated to collapse under the influence of Soviet cynicism and American disgust.

The main reason why it didn't was Hans-Dietrich Genscher, the Bonn Foreign Minister. His efforts salvaged the situation on several occasion.

Agreement was reached on the acceptance of free trade unions and religious groups providing such acceptance is compatible with national laws.

However, national laws in the Soviet sphere of influence are still interpreted according to their usefulness to state interests, i. e. to the Communist party leadership.

Considering the repression of the Polish trade union Solidarity during the consultations in Madrid the result of the conference is a poor and unusual one.

When it comes to human rights, it would seem that the principle of *pacta sunt servanda* in international law, so readily emphasised in the Soviet Union, is no longer valid.

The Soviet interpretation of law accepts this principle up until the time when the international Communist revolution supersedes the type of international law referred to by Moscow as "bourgeois".

The fact that western diplomats accept the programmed non-fulfilment of the CSCE accords in the Communist "empire" as a given fact is something of which they should be ashamed.

Although there are protests and denunciations, the Soviet delegation knows that in the end the conference swallows everything — even a condemnation of those persons who refer to the acceptance of the Helsinki accords by their own governments and demand the fulfilment of that which has been agreed upon: to be able to leave their countries at will or the renuniting of families which have been torn apart.

Genocide in Afghanistan, the use of the Polish army to maintain "socialist normality" by force against the will of the Polish people in an effort to avoid direct Soviet intervention, and finally the shooting down of a passenger aircraft could not prevent the diplomats of the free world from citing the imaginary spirit of Helsinki as a starting-point for a "policy of detente".

West German Foreign Minister Hans-Dietrich Genscher repeatedly saved the conference from breaking up under the strain of the (in itself healthy) disgust shown by the Americans in the

Continued on page 2

WORLD AFFAIRS

What the Boeing disaster and Soviet reaction mean for East-West talks

How the Soviet Union reacted to the shooting down of a South Korean airliner is likely to have more serious international repercussions than the incident itself.

If the Soviet Union cannot provide firm assurances that similar acts will not be repeated, the loss of trust in international relations will be considerable.

At a time when the Soviet Union and the United States are holding extremely complex negotiations relevant to the se-

Kremlin power struggle and the shooting; international pilots' reaction; page 8.

curity of both sides, mutual trust is essential if agreement is to be reached.

If trust is missing, the resultant hairsplitting means that the problems of controlling and guaranteeing such agreements become overemphasised.

Even if issues, an atmosphere lacking trust can lead to ultimate negotiating failure.

Attention focusses on the character of respective negotiating partners, leaving the issues at stake waiting in the wings.

The question of how valuable negotiations and agreements with the Soviet Union in fact are was already thoroughly thought through and rationally "X-rayed" once before by the United States during the Nixon-Kissinger period.

Although Henry Kissinger harboured no illusions about his Soviet negotiating partners he did not view negotiating as an end in itself. What is more, negotiations were not to be seen as merely limited to the specific subject under negotiation.

Kissinger realised that negotiations and agreements were a means of incorporating the Soviet Union in a framework of obligations, thus subjecting Soviet policies to certain constraints. He regarded this a particularly important aspect, since as opposed to democratic countries the lack of free expression of public opinion and corrective forces in Soviet society means that there are no internal constraints to the policies of Soviet governments.

For this reason, Kissinger was even willing to reach agreements which, from the American point of view, contained certain disadvantages, or even allowed for a circumvention of the agreement by the Soviet Union.

During their joint period in office Nixon and Kissinger were able to show certain positive results. The Salt I agreement was signed and sealed and agreement was reached on the Berlin Four-Power Agreement.

However, Kissinger could not offer proof for this theory that a series of international agreements would be able to contain Soviet expansionism and bring about restraint in international politics.

The collapse of the Nixon Administration in the wake of the Watergate affair meant that the Soviet Union no longer needed to show the consideration it had shown up to that time. The ensuing crisis not only affected the American government but the whole American nation.

The United States' ability to act had suffered a setback, that of the Soviet Union a disproportionate improvement. Even as Secretary of State, under the transitional President Gerald Ford, Henry Kissinger was not able to continue the line of earlier policies.

Finally, President Carter did not manage to "ensnare" Soviet activities.

He did negotiate a second Salt agreement. However, taking advantage of American difficulties with Iran, the Soviet Union marched into Afghanistan, and President Carter decided not to present the Salt agreement to Congress; he sensed defeat.

There was already enormous opposition against Salt in Congress. It underlined to what extent the Soviet Union had forfeited the minimum of trust imperative for an agreement of such a dimension.

Yet again the question was raised as to the value of agreements with the Soviet Union. The Kissinger period in America's political thinking had come to an end.

Against this background it was only logically consistent for President Reagan to open up his period in office by repeatedly stating that he had no great hopes of reaching reasonable agreements with the Soviet Union.

He even went so far as to claim that the Soviet Union could not be trusted as a negotiating partner, an assertion which re-established a frosty climate in American-Soviet relations.

In many cases, for example in his reaction to the European gas-for-pipeline deal, President Reagan made it clear that he regarded agreements with the Soviet Union as more dangerous than beneficial.

However, Reagan was confronted by the realisation that Kissing[er] negotiating with the Sovi[et] still very much alive in E[urope] least appeared to cater mo[re] pean interests. It was no [...] Secretary of State Alexan[der] mediate between the two po[...]

Above all, the American [...] found itself faced by intern[...] mitments. The Nato partner[s] including the United States, [...] ed to respond to the imbal[ance] field of medium-range mis[siles] by the Soviet Union not jus[t] ther arms build-up but via ne[...]

Initially, the Soviet Unio[n] to see no sense in such ne[...] however, this approach yield[...] Soviet Union realised that [...] possibility to exert its influen[ce] American policies and Europ[...] tries.

Only if the Soviet Union w[...] sider Nato's proposals would [...] to gain the leverage it needed [...] western rearmament.

Furthermore, the United St[ates] not make it clear to its we[...] that it was willing to condu[ct] tions on medium-range missil[es] ly expecting a successful o[...] did not at the same time mak[e] further the Salt process, i.e. to [...] reduce strategic arms.

Ironic as it may seem, the [...] Reagan government, which so[...] demonstrated that it had s[...] about the attainability of m[...] agreements with the Soviet U[nion]

DER TAGES[SPIEGEL]

now involved in serious negot[iations] the two most important field[s] national security. The serio[...] such negotiations is guarantee[d] fact that the internal cohesion [...] liance makes it essential.

A further deterioration i[n] trust at an international level [...] have disturbing implications.

Many took great offence at [...] made by President Reagan at [...] of his period in office on the [...] thiness of the Soviet Union in [...] tions, remarks which seemed [...] cessarily poison the negotiatin[g] phere right from the start. Al[...] they put a serious strain on [...] between Europe and the United [States].

These remarks made it eas[y] Soviet Union to cast doubt upo[n] can willingness to negotiate a[...] when negotiations had finally [...] the ground.

However, Soviet policies are [...] ble in their ability to destroy [...] trust again and again, confirm[ing] comments of those who criticise [...] viet Union most sharply.

(Der Tagesspiegel, 4 Sep[tember 1983])

Genscher's role

Continued from page 1

face of sheer cynism on the part of the Soviets. Genscher wishes to maintain the dialogue — apparently at all costs.

Fear would seem to be the operative word here. Fear of a military threat like the one demonstrated in Sweden and Norway during the conference period?

If so, this fear should be clearly stated. Submarines can be built to combat submarines. Honestly expressed fears would strengthen the West's position at the Geneva talks. What is more: they would provide the Foreign Ministers with arguments for the conference on disarmament in Europe agreed on.

At such a level there are positions *which can be negotiated. Human rights,* which were defined in the conference's host country 500 years ago as divine and which were regarded as such in other cultures too. There can be no bargaining on the rights of nature and of life.

All previous culture groups agree that a Marxist-Leninist "right" is a contradiction in terms.

What has the history of the CSCE been about? Originally, it was an attempt by the Soviet Union to seal its war gains in terms of international law without a peace treaty. In this respect, Moscow also includes the alteration of Polish national territory against the will of the Polish exile government in London and in the interests of an extension of the Soviet state as well as the liquidation of the Baltic states agreed with Hitler.

The agreements with Eastern bloc countries (Ostverträge) and non-aggression encouraged the planned sanctioning of the expulsion of six million Germans.

Moscow wishes to extend its hegemonic claims to Europe as a result of the German defeat in World War II.

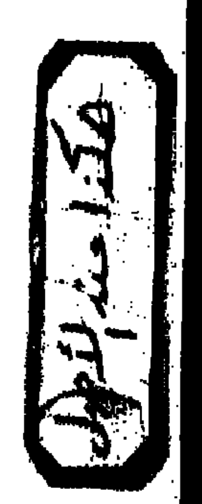
The ones to suffer are not only the Germans — in East and West — but also the Eastern bloc satellite states, of which those in the Baltic region are to disappear altogether.

Finally, since in this context the co-responsibility of the western allies in the last war sealed in Yalta could surface, western diplomacy decided to unite its efforts to steer the CSCE process in a different direction to that envisaged by the Soviet Union.

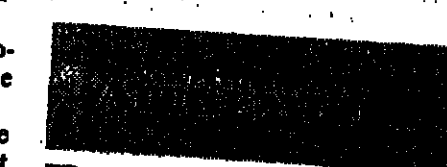
Although this was successful, the result is the cul-de-sac in which we find ourselves today.

Rolf Görtz

(Die Welt, 7 September 1983)



Car workers cheer President Carstens in Yugoslavia



Bonn President Karl Carstens has paid the first visit to Yugoslavia by a German head of state since the war.

The tour reflected the increasing understanding and trust between the Federal Republic and Yugoslavia.

Carstens was greeted with cheers at the TAS motor works in Sarajevo and in Zagreb.

The visit did much more than merely confirm joint achievements in the fields of politics, economics and culture over he past 20 years.

The mood in Belgrade, Sarajevo and Zagreb paved the way for better cooperation and closer contacts, particularly in the economic field.

A member of the Volkswagen board of directors confirmed during the visit to the TAS plant in Sarajevo that his company would be making DM100m investment in the car industry in Yugoslavia.

At least for the time being, President Carstens assured Yugoslavia that there are no intentions of edging Yugoslav foreign workers out of West Germany.

The fact that President Carstens was cheered at the TAS works and in the streets in Zagreb, showed that the free part of Germany has more friends in Yugoslavia than expected.

Gustav Chalupa

(Westdeutsche Allgemeine Zeitung, 10 September 1983)

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[H]OME AFFAIRS

Social justice emerges as budget debate issue

[A]ll parties agree that the budget de[f]icit must be reduced. What is at [issue] is how hard the hammer is to fall.

[Fi]nance Minister Gerhard Stoltenberg (CDU) wants to limit spending to [DM25]7.7bn and reduce the present [...]bn deficit to DM37bn next year. [But] DM37bn is still a lot of money.

[Ma]ny in all parties say that it hardly [matte]rs whether the deficit is a few [hund]red million more or less. What [matt]ers, they maintain, is the trend.

[Be]hind this attitude is the intention [to nu]llify one or the other of the austerity measures and perhaps bring about [gover]nment investment programmes to [...] the economy.

[Mu]ch can still be changed. But the [overa]ll volume of the budget as drafted [by Sto]ltenberg cannot be exceeded with[out en]dangering the whole structure.

[...] warnings are directed at both the [coali]tion government and the Opposi[tion].

[Th]e SPD does not want a confrontation. But it does demand that social [spen]ding cuts be reversed, that a surtax [on h]igh earners be introduced and that [priva]te investors have their interest payments subsidised rather than receive tax [relie]f.

[It] will be up to the business commu[nity t]o disprove the Opposition's con[tenti]on that industry would use the [mon]ey from any tax relief to invest on [for]eign money markets rather than in [plant] and equipment.

[Th]e proposed DM3.5bn tax relief will [cause] some headaches to the coalition [parti]es themselves. It is to be financed [by] the increased VAT.

[T]he government also wants to cut [spen]ding by DM6.5bn in spending, pri[maril]y in the social sector. At the mo[men]t, this involves billions worth of [subs]idies for the unemployment fund, [soci]al welfare, maternity allowances [and] child and housing allowances. The [cutb]acks in the social sector would total [DM]4bn.

[T]his has introduced the question of [soci]al justice into the debate over the [198]4 budget along with questions on [how] to fight unemployment.

[Th]e fact that Stoltenberg has repea[tedl]y stressed that it is not only old-age [pens]ioners, the sick and the jobless who [are] expected to tighten their belts but [tha]t employers and workers alike are expected to provide additional bil[lion]s in social security contributions [mig]ht make it easier for government [pol]iticians to stand by their line of [arg]ument.

[B]ut the government's action is not [quit]e logical because what good is the relief given to business if the go[vern]ment takes it away again by impos[ing] new financial burdens?

[W]hat does matter is the fact that the [Op]position's hope that the government [part]ies would become disunited over [the] 1984 budget will not materialise.

[T]he majority in the Bundesrat (the [upp]er house) has just provided an [exa]mple. All CDU-governed states toed [the] line by turning down Bavaria's de[man]d that the maternity allowance be [left] as it is rather than cut back.

[I]n the current debate, the coalition [ca]n hardly put enough emphasis on the [fac]t that it wants to put an end to pre[ten]ding that it wants to provide social [be]nefits it cannot pay for.

The man-in-the-street understands such straightforward talk, realising that his own interests can only be served by a policy that preserves the essence rather than the fringes of the social security system.

It is not as if the government and its finance minister are being thrifty only for the sake of sticking to principles. At the root of the thriftiness is the realisation that the most unsocial policy is a policy that creates joblessness by putting too much of a burden on business and consumers.

If unemployment is not to go up still further because 250,00 new jobs will be needed soon for the baby-boom generation, working hours must become more flexible. Moreover, business must be made to flourish again, and exactly this is what the government intends to achieve with its 1984 budget.

Business must be able to rely on the government not to increase interest rates by its own borrowing. It must also be able to rely on the introduction of tax legislation that will allow it to make a profit again.

Unless there are profits in the offing, business is unlikely to invest.

But the financial scope needed for such medium-term aims as an improved family policy and tax relief for the working population still has to be created.

And this can only be done by strict adherence to the austerity policy which some economic research institutes regard as not going far enough to have a beneficial effect on the economy anyway.

But the wrong decisions of the past 12 years cannot be corrected in one fell swoop.

If the government manages to achieve its fiscal objectives and bring the deficit down to DM22bn in 1987, it cannot fail to boost the economy.

The Bundestag budget committee, which is about to begin its work, could well come up with even better solutions.

In any event, the committee members are determined to reduce spending even more than provided for in the draft budget — and wisely so because there are considerable risks looming, such as additional subsidies for the coal industry and Bonn's commitments in connection with export guarantees.

Fides Krause-Brewer

(Rheinischer Merkur/Christ und Welt, 9 September 1983)

Balancing the books

Draft outline of the 1984 federal German budget

Income: DM257.75bn		Expenditure: DM257.75bn	
Income tax	72.1	Unemployment, health etc	60.2
Turnover tax	64.1	Defence	48.0
Petroleum tax	23.6	National debt	32.7
Tobacco tax	14.1	Transport	24.7
Company tax	14.0	Youth, family	16.6
Tax on spirits	4.5	Pensions	10.3
Trading Tax	2.1	Research	7.1
Bundesbank profits	6.5	Development aid	6.5
Other tax and income	19.45	Farming	6.1
Borrowings	37.3	Building, environ.	5.3
		Commerce	4.7
		Education	3.9
		Others	31.65

The Bonn government should be satisfied with its Opposition.

During the budget debate, the Greens and the SPD made it easy for Finance Minister Gerhard Stoltenberg (CDU) and other government speakers to present their budget policy as the only possible policy.

One Green MP did speak in favour of a fundamental change in the economic order. He blamed the present crisis on a design fault of Germany's growth-obsessed society. And SPD speakers resurrected their usual warnings that Germans are saving themselves to death.

But the rest of the alternatives by the Opposition boiled down to a competition over the best ecological investment programme and the speediest possible introduction of a shorter work week. Nobody put up any real opposition to the long-term austerity policy in the public sector.

The SPD, in particular — perhaps because it is still paralysed by having been heaved out of government — seems to have stopped thinking about the deeper roots of the economic crisis, which is not something peculiar to this country only.

While still in government, the Social Democrats would have had a ready reply to Stoltenberg's contention that "today's shortage of jobs is yesterday's investment shortfall."

They would have said that the idle production capacities point to too many and wrong investments earlier that must be done away with now for lack of demand.

In earlier years, the SPD opposed Stoltenberg's opinion that public sector borrowing was tantamount to "living at the expense of our children."

They would have said that if anything strips coming generations of their inheritance it is the looting of our planet and the use of growth as a weapon against unemployment. Every working hour lost is gone forever.

Opposition gives Stoltenberg armchair ride

Qualitative growth to bring about a more meaningful use of energy and raw materials through borrowing is what is needed rather than an abstract, quantitative growth that can ultimately only be achieved through the arms race.

It is this qualitative growth that borrowing could bring about that our children would regard as a blessing. The Social Democrats would have gone on to argue that the only limitation to borrowing and hence fiscal scope is that imposed by interest payments.

But considering the high degree of international interdependence, it is doubtful whether national consolidation measures can widen this scope — especially in view of the enormous deficit in the US budget.

In any event, government and opposition are outdoing each other in assurances of their commitment to a consolidation.

To achieve this, one wants to milk the poor and the other the rich. But if we are to stick with our economic system and put our faith in the forces of the market we cannot afford to put top performers — and hence top earners — at a disadvantage.

Neither of these approaches to trying to make the nation pull itself out of the mire by its own bootstraps stands a chance.

The common aim, i.e. lower interest rates to get the economy off the ground, can be achieved neither by the government's deregulation approach nor by state intervention as demanded by the SPD.

We are hamstrung not only by the high interest rates in the United States but also by the fact that lower interest rates will not necessarily make for more investments.

Business would naturally welcome low interest rates, but the ultimate investment decision depends on sales prospects.

This problem is shared with other Western industrial countries. But the fact that the state has embarked on a new course of thriftiness everywhere and that wages are declining in real terms makes the hopes pinned on exports and more investments illusory. It's like waiting for Godot.

What remains is domestic consumer demand; but this cannot contribute to an upturn as long as it is crippled by a wrong distribution of wages: the low income groups, where the need is greatest, lack the money with which to create demand. And the groups that have the money lack the need for consumer goods on a broad enough basis to boost the economy.

In most industrial nations, it is affluence rather than neediness that puts the spanner in the works of the economic machinery. The trouble does not stem from a shortage of investments but from an excess relative to profit expectations.

The distribution of wealth issue is therefore more timely today than ever before; but there is nothing of this to be felt in today's SPD — a party traditionally committed on this issue.

There is much ground to be made good in the coming economic debates in the Bundestag.

These debates have for years been marked by monotony and repetition — and that in an era of economic crisis.

It's a long time since anybody came forward with a real alternative.

Rolf-Dietrich Schwartz

(Frankfurter Rundschau, 9 September 1983)



■ THE PARTIES

Greens develop doubts about credibility

If elections of the recent past could be used as a yardstick, the Greens could be going from one electoral success to another.

But the trend is not valid. Things have changed and there is the chance that the environmentalists will fall below the crucial five per cent level in both Bremen and Hesse polls this month. That would mean no Green MPs in the two parliaments.

Despite indications that the Greens have lost much of their impetus, the established parties would make a grave mistake if they interpreted this as a confirmation of their infallibility and indispensibility.

Scandals over the Green Hesse MP member Frank Schwalba-Hoth who spattered US General Paul S. Williams with blood at an official reception in Wiesbaden, and the Green Bundestag MP Klaus Hecker, who resigned after admitting pinching bosoms of female staff, have probably caused strife in the party.

But in the campaigns these events will hurt the Greens primarily because they have nothing to offer the electorate.

The point is that the Greens themselves do not know what attitude to take towards the two events. They cannot view them rationally because they lack *yardsticks and consensus. And all this is* the result of their lack of political substance.

It is this lack of substance that has permitted the two affairs to throw the whole structure of the Greens with all their parliamentary parties, state executives, boards and grassroots groups into debilitating discussions over their own raison d'etre.

The conflict within the Greens has nothing to do with the morals of their MP Klaus Hecker. What is at the root of the conflict is a deep chasm: on the one hand their unbridled and wishy-washy claim to be the alternative in a politically mired world; on the other, the fact that bickering over details and backbiting is overgrowing the half-truths of their programme. It is this that will prove the party's downfall.

Some of the founding fathers of the Greens warned that it was too early to form a political party and make a bid for parliamentary representation.

A prerequisite for entering Parliament is to be able to cope with the political rules of the game, regardless of a party's objectives.

The very fact that the party has no idea what to do with the political mandate it has obtained is costlier than the benefits to be derived from the mandate.

As long as the Greens fearing for their unity, are unable to adopt pragmatic compromises with the established parties and as long as this encapsulation policy remains essentially a means of self-protection (preventing nothing and benefitting only the opponent) the price for the initial spectacular parliamentary performances is too high.

The Green organisation is neither mature nor can it take strain. Their loud-mouth talk of an entirely new kind of politics and a fundamentally improved democratic culture is anchored to a trivial attitude that is even more narrow-minded and aggressive.

But none of this would be so disastrous if it were not for the fact that they have to face the voters at the strategically most inopportune moment.

Since the toppling of the social-liberal coalition the SPD has been worried about defining its opposition role alongside the Greens.

But the Social Democrats have overlooked the fact that the Greens are in the same role. They originally profited from the SPD losses resulting from its time in government: opposition within the opposition.

Paradoxically, the other problem for the parliamentary Greens is the peace movement. There is little the Greens can do for the movement in parliament. And outside parliament the much broader peace movement does not depend on the Greens as a party.

What would happen if the Greens were no longer represented in any German parliament?

Nothing would change except the state of the Green camp; and that is too little for genuine politics.

Robert Leicht

(Süddeutsche Zeitung, 31 August 1983)

Environmentalists in conf[lict over] accusation of breakaway



The conflict between the Hamburg Greens and the Alternative List, who have a loose alliance known as Green/Alternative List (GAL), is becoming fierce.

The Greens say some members of the Alternative List are trying to abandon the Greens for a new alliance with the German Communist Party (DKP) against the Greens.

This, say the Greens, is to be done through the membership of individual Alternatives in the DKP. Anybody doing this would destroy the GAL.

The Greens pin their hopes on some Alternative List members who are trying to fight separatist tendencies. The Greens stress, however, that the only answer is not to allow DKP[...] join the Alternatives.

The Hamburg Greens hav[e con]firmed that they will not s[...] Bremen branch in the electio[n this] month. One of their spokes[men said:] "We hope that this will prove [to] serve the GAL project."

It was over Bremen tha[t the] conflict rose.

On 20 August, a meeting of [Alter]natives voted 120 to 30 to s[...] men's *Betriebliche Altern[ative]* (BAL), in which the DKP pl[ays an im]portant role.

There was no rapproche[ment bet]ween the Alternatives and the [...] Bremen, where the Green[s are] standing for election on their [...]

One speaker at a meeting o[f Al]ternatives said: "A successfu[l ...] ture of the Bremen BAL whi[ch ...] combine environmentalist and [...] trade union aims as an alterna[tive ...] Social Democrats could help [keep the] GAL idea alive rather than a[...] in favour of those who want th[...] be forgotten."

Critics were told that the DK[P ...] among BAL ranks had adopt[ed ...]native aims.

An Alternative minority, on [the other] hand, regards the Hamburg [...] as either politically naive or a [...]rate attempt to split the Green[s and Al]ternatives in Hamburg as well.

Theu Bock, once top candid[ate ...] GAL, is now one of the all[...] and refuses to support the reso[lution].

The question as to how to d[eal with] the DKP has opened up old w[ounds in] the Hamburg GAL — wounds [dating] back to 1978 when *Bunte Liste* [...] List) stood for election. This [...] later fell prey to internal conf[licts wi]thin the *Kommunistischer Bund* [(Com]munist Federation).

Major role

This party plays a major rol[e in the] Alternative List which itself fo[rms the] "centre" of the Green party co[nsisting] of those who broke away fro[m the] Communist Federation.

The resolution says: "There [would] never have been a GAL in Ha[mburg] had the Alternative List made t[...] an alliance with the DKP throug[h indi]vidual membership in that party."

But ties with the DKP are n[ot the] only thing that play a role in th[e con]flict. There are also differences [within] the Green movement over the st[ance to] adopt towards the Bremen Greens [(who] are seen as conservative) and [...] Greens in other states who diffe[r from] the Hamburg Greens.

The Hamburg Greens regard [the] GAL as a "model" that should b[e ex]ported to other states.

They warn against a "conserva[tive] values à la Rudolf Bahro" while [...]ing a sort of Green "pluralism."

It is this that causes considerab[le fric]tion within the Hamburg Greens.

Karsten [...]

(Stuttgarter Zeitung, 30 August [...])

SPD comes down hard on Nato pullout proposal

The SPD has quickly rejected a suggestion that Germany pull its forces out of Nato's military control.

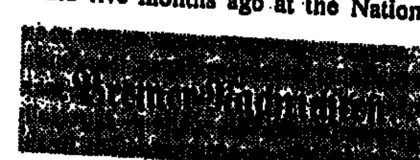
The suggestion came from Oskar Lafontaine, leader of the SPD in the Saar. The party's general secretary, Peter Glotz, says the national executive steering committee spent only two minutes considering the proposal.

The rejection of the SPD's most outspoken anti-missile man and his ideas was harsh.

The party leadership is papering over the fact that it is worried about the tenacious anti-Nato stance of Lafontaine, one of its national executive members.

The SPD is worried in case the Lafontaine spark cause a brushfire. The party has an already difficult enough dispute over what stance to take on the missiles deployment in Germany and on Nato.

Lafontaine first suggested leaving Nato five months ago at the National



Congress of the Jusos (the young members' branch of the SPD) in Oberhausen.

Then he gave as reasons missile deployment in Western Europe and the US idea on a nuclear war that could be won.

Considering that "Nato is a powder-keg supplied complete with fuse," Germany's continued membership in the Alliance is untenable, he told the meeting.

SPD Bundestag parliamentary leader Hans-Jochen Vogel put Lafontaine on the carpet in his usual gentle way at that meeting. Later he announced that nobody in the Social Democratic camp was "seriously considering West Germany's breaking away from Nato."

He said that Lafontaine did not support leaving Nato nor did he fundamentally question the Alliance.

He can't say this any more after Lafontaine's emphatic demand that Germany leave Nato.

As a result, the SPD national executive steering committee has clearly distanced itself from his ideas.

Massively criticising America's arms policy and Nato's missile deployment decision, Lafontaine now justifies his attitude by saying that it is no longer the Alliance treaties that are decisive for our security but "the technical machinery that has been erected in this country."

It is his, he says, that "decides the extent to which we can be drawn into a nuclear conflict. It is intolerable that Europeans should be a pawn in any adventure a superpower engages in."

Lafontaine, his party's left-wing ideologue, is certainly not alone with views that contradict the security policy of his party leadership.

In the tedious and masochistic decision-making processes on the deployment of the missiles this autumn, the SPD leadership will try to prevent giving the impression that it has departed from its course.

At the same time, it will try to cushion the growing discomfiture (in other parties as well) over the West's deterrence principle by throwing new ideas into the discussion. These ideas will primarily deal with strategies to lessen the danger of nuclear annihilation.

Should the rejection of Nato gain a broader foothold within the SPD with its internal frictions, there is a possibility that the public will equate SPD opposition to the new missiles with opposition to Nato itself.

To prevent the party from having its attitude towards the West appear in such an ambiguous light, the executive committee and the Bundestag SPD have repeatedly reaffirmed their loyalty to Nato over the past few months. This was also done with a view to the envisaged "East-West security partnership."

dpa

(Bremer Nachrichten, 1 September 1983)

[M]anpower is a crucial problem for the Bundeswehr. It aims to keep [a lev]el of 495,000.

[In] the past this has been no problem. [In f]uture it will be virtually impossible [as tho]se babies of the low birth-rate [years] are fast reaching call-up age.

[D]efence Ministry officials in Bonn [hav]e long been working on the pro[blem].

[Th]e armed forces, police, border [guar]ds, disaster relief and development [c]orps have manpower requirements [of ...]2,000.

[W]hat used to present no problem will [by] 1988 be a headache because from [...] at the latest there will just not be [enou]gh youngsters.

[By] the end of the decade there will be [less] than 200,000 a year of eligible [...] and in 1993 and 1994 a mere [...]000.

"[W]hat lies ahead," says Bundeswehr [dir]ector-general Wolfgang Altenburg, [is s]omething people have yet to fully [...]e."

[V]arious proposals to meet require[men]ts have been considered. They in[clud]e an increase in the number of re[gular] soldiers, longer conscription and [more] jobs carried out by civilian staff.

[S]ome of the armed forces' responsibi[litie]s, it has been suggested, might be [tran]sferred to industry. Serving soldiers [coul]d be replaced by reservists, manpo[wer or] by technological innovation.

[O]ther options looked into have in[clud]ed a reduction in the number of [exe]mptions, regular corps of women vo[lun]teers in the armed forces and cons[crip]tion of older men and foreign resi[den]ts.

[T]here have also been proposals for a [wid]e range of supporting measures to [ma]ke service in the Bundeswehr, the

■ DEFENCE

Low birth-rate years foil recruitment plans

Bundesmarine and the Luftwaffe more attractive.

One proposal that has already been scrapped is any idea of conscription for foreign residents. An extension of conscription from 15 to 18 months is also a no-hoper in the Bundestag.

As for voluntary service for women, initial plans to recruit between 25,000 and 30,000 women have been shelved. The number now envisaged is much smaller.

The net result seems sure to be the dramatic consequences outlined in the report by the Bundeswehr's long-term planning commission:

"If few women, or none, were signed on as regular soldiers, fewer foreign nationals' services were used and conscription were not extended to beyond 18 months, manpower in peacetime could be sure to decline by 20 per cent in relation to today."

In other words, there would about 100,000 soldiers fewer, although there have also been estimates of a manpower shortfall of a mere 50,000.

There are obvious possibilities of making a career in the armed forces more attractive financially, but the cash input would need to be limited, as otherwise there would not be enough money to buy arms and equipment.

Major purchases of arms and equipment lie ahead. "I have to think in terms of *material* and can't just maintain a specific manpower level come what may," General Altenburg says.

The interdependence of manpower, armament and finances certainly seems to augur ill for the future.

The serious consequences of population trends have been dealt with by an Inter-Ministerial committee in Bonn run under the aegis of the Interior Ministry.

A first report was submitted in 1980. The committee is still working on further findings but the draft Part II is said to outline such serious repercussions that the authorities have stalled on publishing it.

Officially it is still being considered by the various Ministries pending final approval. It has been for some time.

The findings are hot stuff in a number of respects. The recommendations certainly have an enormous bearing on defence.

Experts are convinced the Bundeswehr will not be able to maintain its present manpower, and that alone calls principles into question.

The Defence Ministry says fewer units in being would be the inevitable result. The armed forces would need reorganising and there would be more units reduced to a skeleton peacetime strength.

The loss of units in being could not be offset by reinforcements or reservists mobilised. Nato's operational concepts would likewise ne reappraising.

"Forward defence capacity, especially with little advance warning," the long-term planning commission's report says, "would be forfeited.

"Nato's military strategic concept would be called into question and a lowering of the nuclear threshold would be likely."

A smaller Bundeswehr would also trigger a chain reaction among Germany's Nato partners:

"A restriction in the German armed forces' forward defence capacity might lead to similar tendencies among allied armies." In foreign policy terms a smaller Bundeswehr would considerably affect the Vienna MBFR troop cut talks, constituting a unilateral reduction of Nato manpower in the area to which talks apply.

The Warsaw Pact would not need to make the slightest concession in return, while the existing conventional imbalance would be even more drastically to the Warsaw Pact's advantage.

What that would mean politically is self-evident, which is why it is largely up to the politicians to decide whether the course of events outlined above is bound to happen in this way.

Helmut Berndt

(Saarbrücker Zeitung, 7 September 1983)

Discharged soldiers find it tough going back in civvy street

Regular soldiers often find it hard to find their feet in civvy street when the leave the Bundeswehr. Many go on the dole.

Unemployment among ex-servicemen is well above the national average, says a servicemen's association poll.

Yet serving soldiers are supposed to be able to learn trades they can work in when they leave the armed forces and return to civilian life.

In a brochure entitled Bundeswehr Vocational Training: What It Purports To Be and What It Is Today, doubts as to its efficacy are raised.

Disregarding servicemen who qualified for transfer to a public service job, unemployment among ex-members of the Bundeswehr is running at 9.4 per cent.

Of those who undertook vocational training and were unable to claim a public service appointment 23.4 per cent were at least partly unemployed on completion of their training scheme.

Over one in three, 36.8 per cent of them, were out of work for at least six months, and they weren't unskilled men by any means.

Sixty-three per cent had master's qualifications in their trade and 66.7 per cent had at least a school-leaving certificate as a formal educational qualification.

The bulk of the ex-service unemployed left the Bundeswehr in 1981 or later. The hardest-hit are men who signed on for eight years or less.

The number of unemployed ex-servicemen who had signed on for 12 or 15 years was fairly small. Most were entitled to a public service job by virtue of their length of service.

One ex-serviceman in four questioned, the report concludes, first joined the ranks of the unemployed.

This figure only applied to those who were not entitled to a public service job, but it was unlikely to make joining the army as a regular more attractive.

The return to civilian life is definitely a momentous move into an uncertain future, and the longer a man has served in the armed forces, the greater the difficulties are.

Ex-servicemen say that they find themselves competing for jobs with much younger men who have already made it in their careers by the age at which the old soldiers start.

They swiftly realise that a service career is not such a highly-rated job qualification as they have been led to believe.

It is particularly difficult to come to terms with the fact that one is no longer an officer and a superior but merely a job-seeker like anyone else.

Ex-servicemen often seem to imagine that in civvy street they will be looked after as thoroughly as they were in the Bundeswehr.

It comes as a sad blow to realise that they are going to have to fend for themselves. What is more, the realisation usually comes too late.

"Soldiers who consult the unit that tries to ease their return to civilian life," one former regular says, "have spent ten and a half years living from one day the next.

"They have no real idea what they might do when they leave the Bundeswehr."

As soldiers they don't pay unemployment insurance. Many ex-servicemen who are still undergoing labour exchange job training wonder whether they might not even qualify for the dole if they fail to find a job on completion of the course.

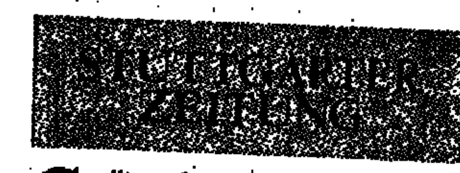
They could well qualify only for social security.

Helmut Berndt

(Bremer Nachrichten, 5 September 1983)

■ BUSINESS

Cash still widely acceptable in Germany despite rise of the credit card



Credit cards continue their relentless advance. Only a few years ago, the little plastic cards were regarded as the snob's calling card. Today it has not yet become legal tender for the man-in-the-street, but it is no rarity.

Statistics show that more than half of this country's 800,000 credit card holders earn more than DM100,000 a year.

This is because credit-worthiness is essential.

Most of the hotels, restaurants and shops that accept the cards are not cheap. Nor is the annual card fee that ranges from DM48 to DM120.

Compared with the United States, West Germany does not use credit cards widely.

The average American has at least half a dozen. Most Germans are glad to have a Eurocheque card, which is not a credit card at all.

Those familiar with the USA know that it is almost indecent to pay cash in that country.

Credit cards are a sort of international legal tender anywhere in the world, including many East Bloc countries.

It takes between four and six weeks before a card holder needs to settle his account. This makes not only for more *liquidity but can also result in interest* gains.

But to be worthwhile a credit card organisation must have a sufficient number of firms that will honour the card.

More and more businesses are discovering the benefits of plastic money: 30,000 German firms accept the cards, primarily shops, hotels, restaurants and airlines.

But there are also garages, correspondence schools, airport parking lots and even museums and theatres.

Once shops that would take cards were usually in cities of more than 200,000, but this is changing rapidly. The card is advancing into the provinces and shopping centres outside metropolitan areas.

Diners Club GmbH, Germany's oldest credit card organisation, anticipates a further rise in the number of card holders and a doubling of the number of firms honouring the card.

So does *Gesellschaft für Zahlungssysteme* (GZS), Frankfurt, a sort of clearing house organisation that handles the Eurocard.

There are many reasons for this. The Berlin-based Research Centre for the Retail Business (FfH) has found that credit cards help sales. This helps reduce fixed costs that are unrelated to sales.

Another survey shows that credit cards improve profits despite commission paid to the card organisation. This is because cards attract customers, and usually better-paid ones.

It also encourages impulse buying.

Business surveys show that those who accept several cards do particularly well.

Card organisations charge no initial fee to a business nor do they stipulate a minimum amount of sales. They simply collect a commission on each sale. This has dropped from an average ten per cent in the mid-1950s to five per cent.

The German market is shared by four card organisations of which three (American Express, Diners Club and Eurocard) issue so-called travel and entertainment (T&E) cards. The holder is not given a line of credit but can use them freely for shopping, travelling, etc.

Card holders are billed once a month and are expected to settle on receipt.

The fourth card, Visa, is a bank card. The customer is allowed a certain level of credit and can pay it off in instalments. The interest paid by a customer is probably the main source of income in this case.

American Express, with its 250,000 cards, leads the field in Germany, followed by Eurocard (230,000), Diners Club (215,000) and Visa (65,000). But world-wide, Visa has probably by far the most card holders, an estimated 90 million.

Qualifications for card holders differ. Eurocard (established in 1978 jointly by German banks) requires no minimum income but makes a thorough credit-worthiness check through the applicant's bank.

The annual fee is DM100; 25,000 German businesses accept the card. But since Eurocard cooperates with American Mastercard and the British Access, 3.2 million businesses accept it world-wide.

Diners Club, which requires a minimum annual income of DM45,000 and cahrges DM120 a year, is honoured by 600,000 firms world-wide, (25,000 in Germany).

The minimum income for American Express is DM34,000 p.a. and the fee is DM120.

An initiation fee of DM100 has been dropped because it became uncompetitive. About 730,000 firms accept it world-wide (27,000 in West Germany).

There is no minimum income for Visa and the annual fee is only DM48. It is accept by 3.2 million firms around the world (18,000 in Germany).

People who travel a lot often find that they need more than one card.

American Express is widely used in the Middle and Far East. Eurocard will get you furthest in the USA, Canada and Central America because of its cooperation deal with Mastercard and Access.

Visa has its stronghold in southern Europe, especially in Spain, Italy and France where its cooperation with the French *Carte Bleu* organisation is paying off handsomely.

Diners Club is well represented everywhere, but the firms accepting it usually are among the most expensive.

The Eurocheque ca[rd]

Who issues how many in Germany (at July 31, 1982, in 1,000s)

Savings banks	
Co-operative societies	
Trading banks	
Post office	514
Other credit institutions	123
Total	1664[illegible]

The Eurocheque card is the [...] thing most Germans have to [...] card. Over 16 million of the[se are in] use. They are accepted in ma[ny coun]tries both in Europe and outs[ide ...] cheque card guarantee.

Cards do have disadvantag[es ...] every business honours eve[ry card,] which means that people t[ravelling] abroad often need two or more [...] is a costly business for priva[te indivi]duals.

The card organisations als[o make] mistakes. Bills should be check[ed care]fully.

The card organisations a[re ...] are troubled by fraud with st[olen and] forged cards — sometimes the [work of] specialised gangs.

Peter [...]

(Stuttgarter Zeitung, 3 Sept[ember 1983])

Brand names to remember: not many

German companies have difficulty establishing brand names on the world market.

Some companies do have big export successes but only a few, Adidas, for example, have gained top international recognition.

Among companies with world-wide recognition are those specialising in consumer and industrial goods: Daimler-Benz, BMW, Siemens, Bosch, Bayer and Hoechst, for example.

Among the successful medium sized companies is the chainsaw factory Stihl which is a 1983 German marketing prize winner.

In consumer goods, few German firms can compete with Coca-Cola, Smirnoff, Levi's, Kodak, Samsonite, Hilton, Nescafé, American Express, Seiko and Polaroid.

Two lost wars and the loss of trade-mark rights explain a lot, but not everything.

Over the past 30 years, German manufacturers of brand name goods have done little to establish themselves abroad. Some of them have been taken over by multinational corporations.

One reasons why "typically" German (and other national) products and services lag behind on international markets could be the high standard of German goods in terms of quality, taste and design. This means high prices.

Another reason is probbly that there are very few German multinational corporations making brand name consumer goods and marketing them world-wide.

One exception is the Darmstadt-based Wella, which specialises in shampoos and other hair cosmetics.

Another clearly has to do with the unsuitability of the German language for international communication. Brand name goods marketed world-wide exist not only because they are useful and available everywhere but also because they have strong brand name images bolstered by world-wide advertising. This cannot be done in German.

A look at the world's most successful brands of consumer goods shows that almost all of them are simple and practical products backed by a simple and straightforward marketing and brand name philosophy — and the Germans have always found it hard to find something simple.

German marketing experts use long and complicated sentences to describe the effectiveness of their product. Americans simply say: "It works."

There is yet another thing: most international brands are related to leisure, travel and pleasure — an area of business that is not exactly typically German.

This makes it the more admirable that the tobacco brand name company Dannemann (jointly owned by Burger and Melitta-Blase) is making a bid to market its cigars and cigarillos world-wide.

True, before the war and before it was confiscated, Dannemann Brazil was already an international hallmark. But that was a long time ago, and cigars are not exactly a growth business today.

In its present drive, Dannemann is not trying to get to the top, which is dominated by Havana brands, but is trying to concentrate on the broad medium priced market — where Amphora, the successful pipe tobacco brand made by Douwe Egberts, has already c[arved] a niche.

To be successful, internationa[l brand] name goods must be simple [in all] aspects, including the marketing[...].

These goods usually have to [do with] eating, drinking and enjoying [...] also encompass clothing, in[...] sleeping.

They are comfortable rathe[r than] conspicious and dependable rath[er than] classy.

The jet set of today are mill[ions ...] millions of tourists who spend h[ours in] uncomfortable planes and in un[...] ports.

Major international brand nam[e pro]ducts are problem solvers in the[se cir]cumstances because their buyer[s and] users are not interested in status [or] mobility:

Brand names like Hilton solv[e the] problem of unknown beds and [unaccus]tomed food and Martini solve[s the] problem of unaccustomed [...] abroad.

The German brand name ment[ality is] more on the literary side as evid[enced] by the advertising Asbach and [...]berg and of Ernte 23 and R&C.

The advertising slogans of succ[essful] international brand names are as [simple] and generally understandable to [...] users as airport English.

And the users themselves are un[com]plicated, optimistic and modern.

Dannemann has its sights level[led on] the world-wide optimism of this ge[nera]tion, and its marketing philosoph[y is] therefore "positive thinking" and [a] better life".

But many Germans have a hard [time] with the easy way of life — both as [va]cationers abroad and as marketing [ma]nagers.

Klaus Hau[...]

(Frankfurter Allgemeine [Zeitung] für Deutschland, 16 August [1983])



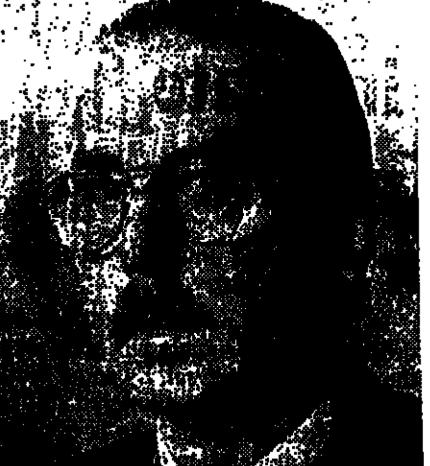
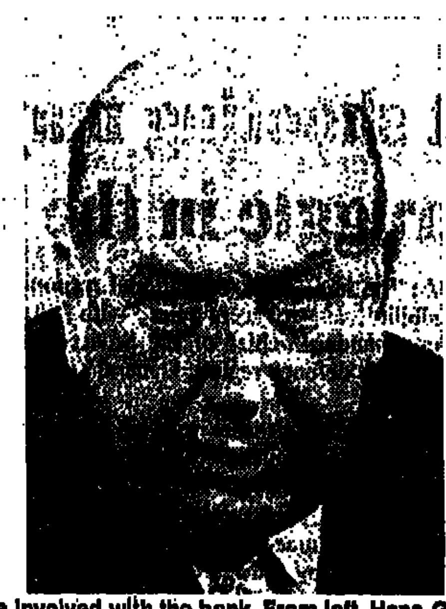
FINANCE

Bankers jailed after trial lasting 4 years

[One] of the longest trials in West German [hist]ory has ended after 4½ years with se[vera]l convictions. The charges arose out [of t]he collapse in 1974 of the privately-[owne]d Herstatt Bank with debts of [DM]1.2bn because of foreign-exchange [dea]lings. The fall in the rate of the dollar [was] the direct cause. The bank's former [gene]ral manager Bernhardt von der [...], 48, and the former head of its fo[reign exchange] department, Heinz Hedderich, 53, [were] each fined DM45,000 and jailed for [two] years and five months. Three people [were] sentenced in March. The managing [dir]ector, Ivan Herstatt, and chief foreign [exch]ange dealer, Danny Dattel, did not [stan]d trial because of ill health. The [larg]est shareholder, Dr Hans Gerling, [left] for Switzerland before he could be [char]ged.

[T]he presiding judge at the Cologne [...] court allocated the blame for the [ban]k's collapse widely:

- [o]n the nominal owner, Ivan Herstatt, himself
- on the department heads
- on the foreign exchange dealers
- on the management and supervisory [boa]rds where Hans Gerling had the ul[ti]mate say
- on the auditors, who, he said had lied.


Three who did not face trial but who were involved with the bank. From left, Hans Gerling, chief shareholder, who is out of the country, managing director Ivan Herstatt and chief foreign exchange dealer Danny Dattel. The last two were too ill to stand trial.
(Photos: dpa, Poly-Press)

Herstatt was not fit to head a bank. Gerling, now safe in Switzerland, had used the bank for his own ends and had known what was going on.

The bank had used book-keeping tricks including fictitious deposits from abroad to hide its plight.

The judge said that, with the bank in the condition it was, the miserable role of the auditors made it inevitable that the bank would collapse.

Gerling had the ultimate, say on both boards because he had an 84 per cent stake in the bank's capital.

Though Gerling had provided DM200m of his own money to satisfy at least some of the small savers' claim — a gesture the judges appreciated — this did not absolve him from blame.

Dr Gerling, who in the post-war era founded one of Germany's largest insurance conglomerates operating on an international plane, was the man who pulled the strings at the Herstatt Bank, the presiding judge said.

He described Herstatt, who told his staff "make any deal you like as long as you don't get caught," as an unsuitable man to head a bank.

Herstatt, who was primarily known for his carnival escapades, did not deserve to be called a banker.

Gerling, who was the chairman of both the management and supervisory boards and who had with sweeping powers, used the bank to his own ends and was fully aware of the dubious deals that were going on.

But he was unwilling to take the responsibility for them. He was only interested in profits.

The judge cited a 1973 Gerling directive (1973 was a recession year and profits were low) in which he gave strict orders to the bank to make enough profits to pay a 12 per cent dividend. The judge described this as typical of Gerling's attitude.

It would have been most unlike Gerling to forgo growth and dividends in a crisis year, the judge said.

Gerling therefore did nothing to stop the reckless speculation of the bank's foreign exchange department from January 1973 to June 1974 in an effort to get this growth.

These deals, with a total volume of DM1.6 trillion, were praised in the supervisory board meeting of March 1973 and described as "tactically correct assessments of the foreign exchange markets."

It was this praise that ultimately led to the collapse of the bank because the department heads and foreign exchange dealers found their actions approved and progressed to even riskier deals, the judge said.

Gerling tolerated no contradiction and the executives of the bank were under strict orders to orientate themselves by the growth rates of this country's major banks.

The judge did not spare the auditors. They had played a miserable role.

They had lied, and things being what they were, the collapse of the bank was inevitable.

He cited some examples to show how risky foreign ecchange speculation can be:

The Herstatt Bank made an average of 180 foreign exchange deals a day worth about DM4bn. This means that a one per cent fluctuation of the dollar rate would result in DM10m in losses or gains, assuming a business volume of DM1bn.

The actual exchange rate fluctuations in the spring of 1974 were, however, not one but at times as much as three to six per cent.

The judge stressed that over a period of four days the bank managed to profit DM196m due to exchange rate fluctuations; but a short while later it lost DM278m in five days.

When the dollar plummeted, the bank lost DM600m in foreign exchange deals in only four months.

This was the point at which the bank supervision authority decided to close Herstatt Bank because its own capital was only DM72m — much too small for the volume of business.

The judge said that the bank would have been closed long before if its balance sheets had not been cooked.

Through book-keeping tricks and sham deposits abroad the bank was able to hide the fact that it was on the verge of insolvency.

It is for this falsifying of balance sheets that the remaining two accused received prison sentences of 29 months each

The court did, however, take into account that the two accused were unaware of the actual extent of the foreign exchange speculation and hence how deeply the bank was in trouble. The court also appreciated the fact that they did not personally profit from the deals except in the form of dividends.

(The other accused in the trial, the biggest criminal trial involving economic crimes in post-war Germany, were either sentenced earlier or did not stand trial on grounds of ill health, as in the case of Ivan Herstatt and the head dealer of the foreign exchange department, Danny Dattel.)

The presiding judge strongly criticised the length of the trial. Proceedings like this were an imposition not only on the judges but also on the accused and their counsel.

This sort of trial, he said, is always in danger of suffocating under the weight of its own paper work.

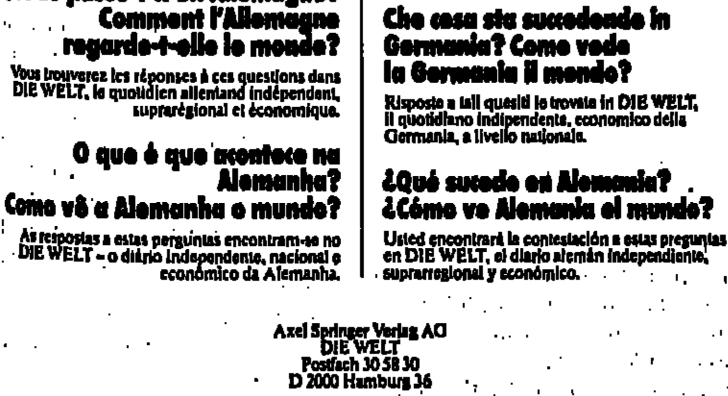
There was little point in pressing every minor charge. Instead future trials of this nature should restrict themselves to essential facts so that they could be completed within a reasonable time.

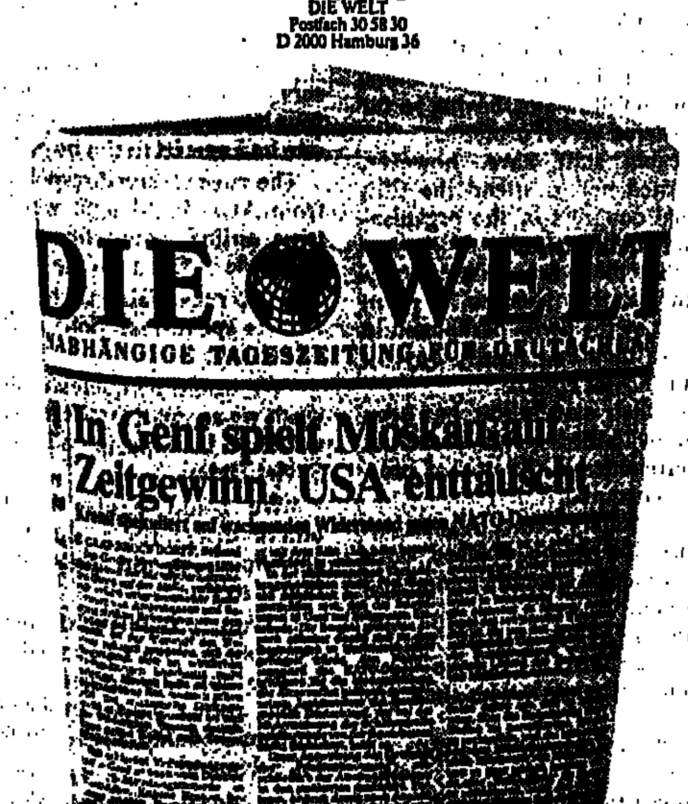
He pointed to the fact that the court had to wade through 67,000 foreign exchange deals. A trial lasting four-and-a-hald years was in itself an injustice.

"Such a trial should not happen again," he said.

Hasso Ziegler

(Stuttgarter Zeitung, 1 September 1983)





■ PERSPECTIVE

Jumbo jet shooting may indicate power struggle in the Kremlin

Many Moscow-watchers feel the Korean airliner shot down by Soviet air force planes signifies a power struggle in the Kremlin. Wolfgang Leonhard, 62, agrees. He is an authority on the East Bloc. He grew up in the Soviet Union, where his parents were German emigrés, and moved to East Berlin in 1945. He fled to the West in 1950. He is now teaching at Yale and is here interviewed by Herbert Kremp of *Die Welt*.

Question: How could the Soviet Union possibly deny having shot down the Korean airliner for so long when the proof was plain for the world to see what had happened?

Answer: The denial of Soviet guilt by means of several contradictory and evasive statements indicates disagreement among Soviet leaders about what to say.

An immediate and straightforward declaration by the Soviet leaders that they deeply regretted the incident, expressed their sympathy with the bereaved and would punish those who were to blame would undoubtedly have been the best for the Soviet raison d'état.

But that would have meant blaming the Soviet armed forces, and the Soviet leaders obviously felt unable to go that far.

The Soviet military establishment was obviously opposed to the idea and is strong enough to impose its viewpoint on the subject.

Q: Who, in your view and given your knowledge of the Soviet command structure, is to blame? The military or the political leadership?

A: The immediate, operational responsibility as it were lies with the commander-in-chief of the Soviet Far Eastern defence region, General Govorov.

The blame also lies with his superior officer, Col.-General Romanov, head of the Soviet air defence forces.

But in view of such a major event it must be assumed that the final decision was taken by the Defence Council, to which both military and political leaders belong.

Its chairman is Mr Andropov, but at the time the decision was taken he was on holiday, so it could well be that the views of Defence Minister Ustinov and Foreign Minister Gromyko prevailed.

The responsibility thus lies with the Soviet military leaders and with hawks among the country's political leaders.

Q: Can the incident be said to be a continuation of the Soviet power struggle by other means?

A: Yes, there are a number of signs that the original troika, consisting of Andropov, Gromyko and Ustinov, has broken up.

Domestic reasons may have been the main consideration, since Mr Andropov, evidently backed by his fellow-members of the politbureau Mr Romanov, Mr Aliyev and Mr Gorbatchov, was initially prepared, albeit cautiously, to step gingerly in the direction of long-overdue economic reform.

That triggered immediate opposition by influential Soviet leaders such as the chairman of the state planning commission, Mr Baibakov, who held a press conference, most unusually, at the Soviet Foreign Ministry.

In the foreign policy context Mr Andropov's detente signals, as imperfect as they may have been felt by some in the West to have been, encountered stiff resistance from everyone who is opposed to external moderation of all kinds.

They were particularly opposed to Mr Andropov's stated readiness to scrap a number of SS-20 in certain circumstances.

The body of opinion led by Mr Andropov is accurately briefed on the situation in the country at large and evidently keen to pursue a more realistic policy.

It would like to embark on urgently needed measures of economic modernisation, to take the edge out of the nationalities problem and not to overstrain East-West relations.

The other viewpoint, firmly anchored in the hard core of the Party machine and the Red Army, is represented among the Soviet leaders by Marshal Ustinov and Mr Gromyko.

It is opposed to as much as the first moves in the direction of domestic modernisation and external moderation.

Both consists of representatives of the Soviet old boy network, but the differences between them are important enough to merit being registered by the West.

Q: What will the international repercussions of the airliner incident be, do you think?

A: It has imposed a heavy burden on East-West relations, again questions the trustworthi[ness] viet leadership as a negoti[ating] and made more difficult th[e] of the West reaching serio[us] with the Kremlin.

Soviet proposals that sou[nd] loving note are likely to be the world at large with gre[ater] cism than in the past. The [prospect of] a summit meeting betwee[n] Reagan and Mr Andropov grown more remote.

Q: What response by the We[st] yout view seem most app[ropriate to] persuade the Soviet Union [to] greater moderation in future?

A: Democratic Western pow[ers] and must not simply return [to business] as usual after this disgracefu[l]

The West ought to insist on Union publishing the true [facts in] connection with the shooting the culprits, apologising for [the] consequences and paying fu[ll compen]sation.

Partial counter-measures [such as] on Aeroflot planes landing [and taking] off would seem appropriate.

But the Geneva talks ought [not to be] broken off. That is exactly [what the] Kremlin hawks would like to [hap]pen in any case.

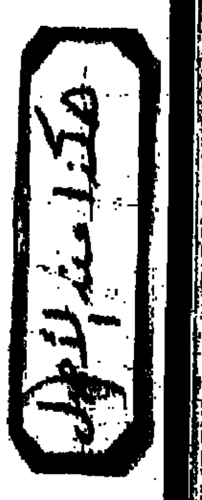
In all measures taken and st[atements] made by the West a clear di[stinction] must be drawn between the So[viet lea]ders and the Soviet people.

Given the current political [situation in] the Kremlin a clearer distinctio[n ought] also to be drawn between the [two] tendencies.

The hawks, who are opp[osed to] agreements of whatever kind, [must be] shown by Western determin[ation that] there are limits to their power [and that] what they are up to is dangerous.

Herbert K[remp]

(Die Welt, 8 Sep[tember 1983])



Quick and hostile reaction by international pilots' union

Airline pilots have reacted strongly to the shooting down of the South Korean jumbo jet.

At an emergency session of IFALPA, the International Federation of Pilots' Association, in London representatives of roughly 57,000 pilots in 67 Western countries did not mince words.

"We are deeply shocked by what has happened off Sakhalin," they announced. "We are thus firmly convinced a boycott of flights to the Soviet Union is neccessary to make it clear to Moscow what damage it has done."

Pilots' associations were notified of the appeal and called on to boycott for two months all flights to Russia, which happens to have more planes than any other country in the world.

Cockpit, the German pilots' association, reacted promptly from its head office in Frankfurt am Main.

"We immediately contacted the only airline that regularly flies to the Soviet Union from this country," says Uwe Holzwig, the association's spokesman.

"Lufthansa has to agree to out boycott. The legal position only allows us to strike in connection with disputes over wages and working conditions."

He is sure Cockpit's executive committee will declare its solidarity with pilots' associations that plan to act in accordance with the IFALPA appeal.

As a Lufthansa Boeing 707 pilot he knows what he is talking about. The German airline doesn't have many 707s left. But those it does fly over 4,500km of Siberia once a week.

So Holzwig knows better than many of his fellow-pilots what goes on in Soviet air space and why it is that flying over Siberia is no fun.

Soviet air safety control's ground facilities are beyond belief when compared with Western equipment, he says.

Pilots who fly over Siberia have to find their way with the aid of non-directional radio beacons that have a very limited range.

They have to keep a close watch on the beacons direction and strength in order to keep within the prescribed air corridor, which is a mere 15km wide.

Crews have to use their own navigation equipment for much of what is a 10-hour flight in order not to go even slightly off course and risk being buzzed by a Soviet jet interceptor.

Radio contact with control tower staff is limited to the absolute minimum. Holzwig is particularly upset that there are only two emergency airfields between Moscow and Vladivostok Western airliners are allowed to use if they run into difficulties.

German pilots can certainly not be faulted in their determination to back the boycott in the interest of safety: the safety of passengers, crews and aircraft.

They made their first representations to the Lufthansa management in Cologne on the afternoon after the IFALPA appeal had been issued.

What they wanted was a Lufthansa assurance that the management would tolerate the boycott. They didn't want pilots and crews to risk dismissal by refusing to fly to Moscow.

They were lent support by the International Federation of Cabin Staff, which plans to follow suit, having so far merely registered verbal protests.

Soviet cabin staff have, however, been requested not to attend the fifth international congress of the organisation next month in Mainz.

Swiss airline pilots face an even tougher task in that they need to be given the go-ahead by the Swiss parliament in Berne before they can legally boycott flights to the Soviet Union.

Aeropers, their association, has been quick to apply to the Swissair board not to place difficulties in the way of protest measures planned.

Aeropers secretary Dieter Schürer expects a decision to be reached once other governments give the go-ahead for the boycott.

Since the IFALPA boycott appeal state-owned airlines in Europe have been in constant contact with their governments.

BALPA, the British airline pilot's association, announced on the eve of the boycott appeal that it would be forcing British Airways to cancel its fo[ur flights] a week to Moscow three days la[ter].

A note of moderation was [struck] the very next day, and at the [time of] writing British pilots were pla[nning to] wait and see how Downing S[treet and] Whitehall felt about the idea.

Air France pilots have simi[larly de]cided to wait and see how the si[tuation] develops in Europe. A more ag[gressive] note was maintained in Stockh[olm,] home of SAS, the Scandinavian A[irlines] System.

Seventeen Western airlines fly [regular] services to the Soviet Union. T[he first] four hours after the IFALPA app[eal no] one had agreed to the boycott.

The most reserved response of [all came] from AUA in Vienna, which the [Aus]trian airline would like to see [as a] turntable of flights to the East Bl[oc].

AUA runs daily flights to M[oscow] and its spokesman Johann Juch[...] this to say:

"We would be overestimating [oursel]ves if we as small fry were to pla[y a pio]neer role in imposing sanctions o[n the] Soviet Union.

"We could easily end up s[eeing] others disregarding the boycott [and] continuing to do good busines[s on] flights to Russia."

If Western flights to the Soviet U[nion] are grounded for two months there [will] be one obvious winner: Aeroflot. [The] Soviet airline would probably ha[ve to] run unscheduled flights to handle [the] extra demand.

Rudolf Me[...]

(Süddeutsche Zeitung, 8 Septe[mber 1983])

[B]ERLIN RADIO SHOW

[W]hat's new in electronic [e]ntertainment

STUTTGARTER NACHRICHTEN

[Th]e Berlin radio show featured the [lat]est trends in electronic entertain[ment] from 27 countries. There were 765 [exhib]itors, 200 more than in 1981.

[E]wert Ingwertsen of the radio and [TV d]ealers' association said the trade [expect]ed turnover this year to be up by [abou]t four per cent to roughly [DM]4.5bn.

[Th]e increase would be due in part to [the b]oost given by the radio show. Pri[ces] would stay steady, with increases [the e]xception, not the rule.

[Ch]ristian Schwarz-Schilling, Bonn [Minis]ter of Posts and Telecommunica[tions], used the occasion to inaugurate [a] countrywide Btx, or videotex, ser[vice].

[Bt]x, short for *Bildschirmtext*, or view[data], is a link-up between the tele[ph]one, TV and the Bundespost compu[ter n]etwork.

[Af]ter several years of trials in Berlin [and D]üsseldorf the facility is now avail[able] in Hamburg, Frankfurt, Munich [and] Stuttgart.

[Bt]x will go truly nationwide next [year], and Dr Schwarz-Schilling said the [new] medium was bound before long to [cate]r for a mass public.

[Fr]om mid-1985 subscribers all over [the] country will be able to dial for Btx [serv]ices by making a local call, and by [the e]nd of 1986 there are expected to be [a] million commercial and private [sub]scribers.

[T]he Bundespost has devised a system [base]d on the CEPT standard that en[sure]s better quality graphics and by in[clud]ing the Roman, Greek and Cyrillic [alp]habets guarantees access to similar [facil]ities all over Europe.

[D]r Schwarz-Schilling also inaugurat[ed] the new videoconference facility in [Ber]lin. There are studios in Berlin, [Fra]nkfurt and Hamburg where compa[nies] can hold conferences by video and [save t]ravel costs.

[T]he Btx IP (information providers') [as]sociation said some of the charges [the] Bundespost planned to introduce [cou]ld hamper the spread of the new [med]ium.

[T]he Berlin radio show filled 25 halls, [the] pavilions and part of the Interna[tion]al Congress Centre. The total floor [spa]ce in use was 1,080,000 square feet, [or] 2.5 acres.

[P]roduct categories mainly on show [wer]e TV, phone, video, hifi, accessories [and] the new media. Digital technology [is c]learly on the advance.

[N]ew technology ends interference of [all] kinds, simplifies handling and en[sur]es constant top quality of reproduc[tion].

[D]uring the 10 days of the show ARD [an]d ZDF, the two main channels of [We]st German TV, screened 150 hours [of] programmes from their radio show [st]udios.

[T]elefunken exhibited a prototype [ra]dio set for radio reception via satellite relay. It is designed for use with programmes relayed by the German TV Sat 1.

The manufacturers say 32 mono or 16 stereo channels ensure excellent reception all over Germany and Western Europe, meaning that Bavarian radio can be heard in Schleswig-Holstein and vice-versa.

This new technology was premiered in Berlin. Telefunken are handling reception and AEG transmission, with operations being supervised by the Research and Technology Ministry in Bonn.

The Philips video disc system was again hotly debated at the radio show. Philips admitted they were having difficulties with programmes.

Prices had also been cut to make the system more attractive.

But the new Compact Disc was confidently expected to give the hifi market first CD players in Germany in March.

The company's market research unit says the 1983 world market for the new system is about 600,000 units, and Philips hope to corner about 25 per cent.

Blaupunkt and Apple Computers have joined forces in an unprecedented link-up. Blaupunkt will manufacture and market colour TV monitors with built-in computers compatible for use with Apple systems.

An agreement has ben signed with Apple's German agents. It states that there is such a wide range of uses to which computers can be put that a variety of models and designs makes sense.

Despite the usual radio show euphoria there were upsets. Officially the entertainment electronics industry is still exporting well, although there was a slight downturn in the first six months of 1983.

In reality exports have plummeted, and domestic sales have by no means been as encouraging as turnover might lead one to believe.

In the first half of this year exports of console and table model TV sets were down 10.4 per cent to about 660,000 units, while domestic sales were down 0.6 per cent to 774,000 sets.

This is an overall downturn of 5.4 per cent.

Exports of portable colour TV sets were down 25.2 per cent to 123,000. At home too, sales were 7.8 per cent down on the first half of last year.

Ulrich Viehöver

(Stuttgarter Nachrichten, 2 September 1983)

Satellited, cabled, videod and plugged in — the new media

New media developments at the Berlin radio show were more than the shape of things to come. Some are already on the doorstep.

They include:

- ● Satellite TV all over Europe transmitting programmes financed from advertising revenue.
- ● Hundreds of thousands of families will be able to plug in to cable TV and tune in to additional programmes.
- ● Video recorders and video cassettes have already extended the range of TV programmes available in Europe.
- ● Post and Telecom Minister Christian Schwarz-Schilling has given the go-ahead for *Bildschirmtext*, or videotex.
- ● Videotext, or teletext, is also fast becoming a countrywide facility.
- ● A silver disc the size of a beermat, the CD, or compact disc, is about to revolutionise hifi.
- ● Publishing giants, such as Bertelsmann, are on the point of going in for TV.

Bertelsmann have applied to the Rhineland-Palatinate Justice Ministry for permission to transmit programmes as part of the Ludwigshafen cable TV pilot project.

The Gütersloh publishers are keen to join forces with others in the project.

The media are definitely on the move. Where to? Hard to say, but it certainly all began with the microchip. Technological progress, especially in microelectronics, has made it all possible.

Gerhard Naeher writes in his *Stirbt das gedruckte Wort?* (Is the Printed Word on the Way Out?):

"The advance of microprocessors that can store data by the million and process them by means of logical intelligence will make a greater impact on everyday life in the future than technological progress them by means of logical intelligence will make a greater impact on everyday life in the future than technological progress in the past has done."

A review of the various sectors of new media reveals the following state of affairs:

Satellite TV: Esa, the European Space Agency, launched its OTS orbital test satellite in 1978 to carry out telecom experiments.

When the trials were over Eutelsat, an organisation to which all European postal and telecom services belong, gave a British company, Satellite Television, permission to run a satellite relay commercial TV programme in English.

It has been transmitted since 26 April 1982 and can be received all over Europe with the aid of a dish antenna three metres in diameter provided viewers are legally permitted to tune in.

Early next summer the ECS European communications satellite will be ready for operations. British, French, Germans, Dutch and Swiss will be able to relay commercial TV on its nine channels.

A German radio satellite will be operational by summer 1985. It will be used by ARD and ZDF, the two main channels of West German TV, whereas private operators will probably use an ECS channel.

The Prime Ministers of the *Länder* are expected to agree to a compromise along these lines when they discuss the subject in October.

Cable TV: At the end of last year about 350,000 households in the Federal Republic of Germany had cable TV. This year the Bundespost is investing DM1bn to expand network capacity all over the country.

Four pilot projects are under way in Ludwigshafen, Berlin, Munich and Dortmund. They will show how the public respond to what for most people is a new facility.

The pilot projects will cost millions. Only in Ludwigshafen are private operators to be allowed to pipe programmes.

Video: Video recorders are steadily gaining ground. At the end of last year about 10 per cent of households had one. Cassette turnover, almost entirely lending libraries, was about DM450m.

By 1985 one household in three will probably own a video recorder. The video disc is trailing well behind the recorder. Its drawback is mainly that pro-

Continued on page 10

What all those words mean

The new media have brought with them a whole range of new words and ideas. Here are some of them, briefly outlined:

Bigfon, which reads Bigphone when pronounced in German, stands for wide-band integrated optical cable telecom exchange network.

One telephone line can handle simultaneously several telephone and videophone calls, relay data, text and graphics and transmit up to four TV and 24 stereo radio programmes.

Bildschirmtext is a two-way computer link-up using telephone and TV set. It corresponds to videotex or viewdata and provides an extensive range of facilities including armchair banking and the electronic mailbox.

Bildtelefon or videophone is not just a toy. You can also show the other person documents on the monitor screen.

Cable TV gives access to TV programmes that are not normally available in a given part of the country.

Cable text can use the entire bandwidth of an optical cable to relay up to 1,000 pages of text per second on to a monitor screen.

Coaxial cable is the conventional variety, but with its copper inner cable and outer sheath it has a high capacity.

Datex P is a relay facility between computers. The P stands for package; lots of information are parcelled up for relay.

Electronic blackboard uses a light pen to write copy and make sketches that are relayed from screen to screen with an accompanying soundtrack facility.

Fibreglass or optical cable relays information at the speed of light; up to 34 million impulses per second. The fibre is two micrometres in diameter (a human hair is 100 micrometres in diameter).

Pay TV offers a wider choice of programmes but, as the name implies, charges for the privilege.

Satellite TV is a direct link between the relay satellite and the TV set via a domestic dish antenna three metres in diameter.

Will normally only make sense when provided for an entire block of flats, for instance.

Teletex is similar to the conventional teleprinter, but 20 to 30 times faster. Like the telex it uses keyboards at either and for transmission and reception.

Textfax relays a letter, including letterhead and signature, without using a facsimile process.

Videotext is a one-way service transmitted in the normal way to TV screens. It relays information, news and consumer tips put together by broadcasting corporations and newspaper publishers.

(Lübecker Nachrichten, 28 August 1983)

■ BERLIN RADIO SHOW

The nation gets a taste of Bildschirmtext's style



Btx is a three-letter word that has long fascinated German media men. It stands for *Bildschirmtext,* the German for viewdata or videotex.

A major attraction at the Berlin radio show, it was launched in the city in time for the show.

Btx is access to computers for a wider public, as most private households already have the basic equipment: a telephone and colour television.

A phone call links the TV set to an entire network of computers run by the Bundespost, the West German postal and telecom service.

Subscribers can dial any of several hundred thousand frames for information computer-stored by all manner of suppliers.

They include newspapers and banks, mail-order companies and government agencies, even the Church.

Where and when are church services held on Sunday? Which doctor is available on emergency standby? When is the town hall open to answer inquiries?

Are tickets still available for the theatre? Is the delightful sky-blue pullover advertised in the mail-order catalogue in stock? What's new in the world?

The range of information available is virtually endless. Subscribers will be able to dial for information from similar facilities in other countries.

Since mid-1980 field trials have been held in Düsseldorf and Berlin, where 2,000 householders and 1,000 commercial users have been hooked up to the system

In Düsseldorf, for instance, over 300,000 frames of information are currently available, and this figure does not include data from outside computers.

After just over a year of trials it was decided to go countrywide. The system was to be launched at the 1983 Berlin radio show.

IBM has failed to make the deadline. It has not yet been able supply the Bundespost with the computers and programmes needed.

That, of course, is easier said than done. The phone call does not retrieve microfilm pages: it unearths individual signals that are assambled to make up a page, or frame.

A new standard is to be set, enabling better graphics, more attractive scripts and more colours to be used than in the field trials.

Agreement has been reached on this point by the Bundespost with other countries. Definition as fine as on TV is not possible, but the user has a wide range of personal choice.

Data from external computers means a gateway between the Bundespost's IBM equipment and other computer manufacturers' facilities must be possible. This compatibility requirement is what makes the scheme so difficult to set up.

The system Bonn Minister Christian Schwarz-Schilling inaugurated at the Berlin radio show was no more than a makeshift.

It relies on the computers used in the field trials but uses the new standard. Countrywide access is a misleading claim inasmuch as only 5,000 new subscribers can be accomodated at present. Btx proper will not get going until between April and June next year when its Ulm headquarters and the first regional computers are taken into service.

The Bundespost needs to have a network of interlinked computers all over the country to be able to handle enquiries from a large number of subscribers.

Btx computer access will need to be available via a local call from any part of Germany, so the rate at which the system is to be introduced has been accelerated.

It is to cover the entire country by mid-1985, or three years earlier than originally envisaged. Provided IBM can meet the deadline.

A Btx subscriber will pay DM8 a month over and above the normal telephone rental. In return he will be supplied with a modeme, or modulator.

Then he will need a TV set and decoder to store and convert telephone signals into a picture on the TV screen.

Loewe Opta, a small German electronics company, are particularly annoyed with IBM in this connection.

They have manufactured the first decoder for the new standard and were hoping to do good business after the radio show, but IBM with its delay has scotched these hopes.

The Bundespost was expecting 40,000 new subscribers this year but for the time being can only handle 5,000. That leaves other manufacturers until May 1984 to perfect their own decoders.

Subscribers will also need a special remote control keyboard with letters and numbers.

They will then be able to relay any message they want to any other Btx subscriber. This is the electronic mailbox facility.

Decoders still cost about DM1,000, which is why most initial subscribers will be commercial users.

Polls indicate that private subscribers would only be prepared to pay DM200 to DM300, which might well be the going rate in two or three years' time.

Sconer or later all new TV sets will be equipped with a decoder, which incidentally can also be use for reception of the videotext facility (not to be confused with videotex).

But that will be a while yet. Technical advances and mass production must first cut the cost of the devices currently available.

IPs, or information providers, have worked themselves up into a frenzy about the Btx idea of late. They are expecting to brisk busines.

By mid-1986 the Bundespost expects to have one million subscribers and 40,000 to 50,000 IPs. Diebold, the consultants, expect there to be 700,000 subscribers, including about a third that are private households.

Theirs is a more conservative estimate. Is it more realistic? We shall have to wait and see.

But Btx will certainly be interesting for business users, and they will be the main market to begin with. It will, for instance, make it easier to maintain constant contact with travelling sales staff.

Smaller firms will find Btx useful in combination with office computers. Important information is there for the asking all over the place. Btx will give them access to it.

Chambers of commerce and industrial associations will be able to provide information in just the same way as private enterprise will.

For bulk orders and mail-order customers Btx can be combined with video discs. Clothes can be modelled on video discs, with Btx screening details of price, availability and electronic order facilities.

IPs can pick and choose the devices and price range they need to provide their information. The simplest units cost a mere DM5,000.

They consist of a screen and keyboard, a music recorder and a simple printout device. Between them they store, set up and print out information as requested.

Frames are then relayed to the Bundespost computer, which stores them and retrieves them whenever asked to do so by Btx subscribers.

These input units (they can receive as well as transmit) vary in sophistication. The top of the tree is an external computer gateway, which can cost several hundred thousand marks.

The closed user group facility also makes it possible to restrict access to a specific category of subscriber.

The IP needs an external computer gateway if subscribers are to be able to send in mail orders by Btx, which brings us to the options available to private users.

They include in this case an immediate reply from the mail-order computer: order received with thanks, delivery by such and such a date.

Screen shopping is th[e] [...] will also mean comparison[s] [...] Btx to see what local deal[ers] [...] brand-name articles such as [...] as.

The opportunities are vi[rtually unli]mited. Armchair banking [...] clock is one, and subscrib[ers] [...] need to write a word.

An electronic directory s[ys]tem and an Infotel hotel boo[king facili]ty are being set up. Users wi[ll] [...] to dial the name and place; [...] bers and other details will the[n be relay]ed on to the screen.

Trial subscribers in Düss[eldorf and] Berlin seem to have been sati[sfied] [...] with more restricted faciliti[es] [...] in 10 plans not to continue a[s a subscri]ber once the system goes coun[trywide].

Market research has show[n that pro]duct information, service and [...] in demand. Btx is less in de[mand as a] source of specialised inform[ation and] reference material, and still [less as an] entertainment medium.

Cost to the subscriber will [...] be more then DM8 a month [in addi]tion to the decoder rental an[d the cost] of telephone calls they will b[e charged] up to DM9.99 per frame of inf[ormation].

IPs must indicate before [...] frame what their charges are, [...] will have to charge because th[e Bundes]post will be charging them too.

Information providers wil[l be charg]ed for frame storage and re[...] their external computer gatew[ay] [...] and much, much more.

But to help to launch the [...] Post Office is to waive most fe[es initial]ly until the end of 1984 and to [...] per-cent discounts until the en[d] [...]

Advertising

IPs will also have to meet the [...] in-house production facilities [...]

Will Btx take advertising? Ye[s] [...] although there would in any [...] borderlines. Is a dealer's pri[ce list] [...] vertising?

Advertising frames must ind[icate] [...] (for *Werbung,* or advertisement) [...] has been laid down in the B[...] between the *Länder* (the Bund[...] responsible merely for the te[...] side).

German thoroughness has b[...] in the treaty arrangements for [...] joinders and data protection.

Will Btx be big business? No[t for a] while. It must first be regularly [...] a large number of subscribers, a[nd after] the novelty has worn off that m[ay take] time.

Money has so far been made [...] by equipment manufacturers a[nd ser]vice facilities such as commer[...] agencies and consultants.

The Diebold survey mention[...] lier costs DM1,500.

Dr Schwarz-Schilling is expect[ing] investment to total between [...] and DM3bn over the next thre[e years], especially investment by IPs.

Btx cannot compare with any [...] medium. It is not just a screen n[ewspa]per. All it can do is replace ind[...] uses of existing media.

In the long term it might, for [...] ance, corner the market for housi[ng] and car adverts.

But its strength lies in new use[s, espe]cially the dialogue between co[...] and user. It will certainly not r[eplace] the newspaper entirely, if only b[ecause] reading an article of this length o[n the] screen would be far too strenuous.

Dieter K[...]

(Mannheimer Morgen, 1 Septem[ber 1983])

Continued from page 9

grammes can neither be recorded nor overplayed.

Bildschirmtext (videotex): Btx gives everyone access to data banks of all kinds using a conventional colour TV with a decoder as a computer terminal and an ordinary telephone with a special adapter to open up the line.

Subscribers can use the facility round the clock, dialling for the latest news and sports results, consumer information, money and other market reports.

The armchair viewer can become an armchair reader, not to mention an armchair shopper, armchair banker, armchair gamester and armchair hotel booker.

He can also exchange individual messages with any other Btx subscriber in a matter of seconds.

Videotext: This service also pages information on to the TV screen, although it is only a one-way traffic. But frames take time to retrieve and are often illegible if reception is poor because they are relayed by TV tranamitter.

Yet it is gaining ground slowly but surely. Its advantage is that it is still free of charge, whereas Btx, or videotex, will cost higher phone bills and other charges.

Compact disc: A digital record player picks up sound of superb hifi quality from a record the size of a beermat. The experts all agreed that CD stands for a revolution in hifi.

Up to 70,000 players at DM2,000 and 200,000 discs at between DM35 and DM40 will, it is estimated, be sold in Germany this year.

Pundits forecast there will be no conventional gramophone records left in 10 years' time, only CDs.

Jürgen Höfle

(Die Welt, 1 September 1983)

[E]XHIBITIONS

Like learning how to live, it's easier said than done

STUTTGARTER ZEITUNG

[...], Landscape, Architecture is the [tit]le of an exhibition at the Natio[nalgal]erie in West Berlin. It deals with [archi]tecture-related art in the Federal [Repu]blic of Germany.

[It w]as arranged in conjunction with [the In]stitute of Foreign Relations, Stutt[gart, a]nd will shortly go on tour all over [the w]orld.

[On]e impressive exhibit is a large co[lour] photo of a statue on a pedestal in [the] mud-flats off Dangast, a North Sea [villa]ge near Wilhelmshaven.

[...] a small holiday resort, Dangast [has] been popular with painters and [...] artists since the early years of the [cent]ury.

[Th]e statue, by Anatol Herzfeld, is [...]ely reminiscent in the photo of [Cas]par David Friedrich's early 19th [cen]tury romantic painting The Monk by [the] Sea.

[I]n some ways the idea behind the ex[hibi]tion smacks of a bid to benefit man[kin]d. One wonders how much intrinsic [...]e it has.

[B]ut since the catalogue at least is a [litt]le critical, sounding a note of self-cri[tici]sm as it were, let us assume that this touring exhibition has something useful to say.

It features about 60 artists and work of theirs that is felt to be impressive and was commissioned for public display.

It is work commissioned for public buildings and squares, churches, schools, universities, administrative facilities, hospitals, concert halls, theatres, libraries, stations, public baths and at times just for outdoors.

Outdoors here means for and in landscapes and for disused air-raid shelters.

Wherever possible, original works or designs are on show, but most exhibits are large-scale photographers by the Mannheim industrial photographer Robert Häusser.

He spent a year touring Germany, from Munich and Saarbrücken and from Sylt to West Berlin to put his collection together.

The 187-page catalogue, profusely illustrated, costs DM36 and includes a temperamental and at times caustic, but mainly witty and intellectually pleasing essay by Manfred Sack.

It is entitled Justification of Emptiness — How Towns Have Grown: Three and a Half Decades of Planning and Construction in the Federal Republic of Germany.

There is also an article by Dieter Honisch of the Nationalgalerie entitled The Functional is not always the Significant.

Both recall the days of hectic construction at the time of the post-war "economic miracle" when, after the wartime devastation, Germany was rebuilt. Private housing developments spread out of town, concrete blocks grew steadily taller and churches were smaller in comparison.

It was an era when many opportunities were missed and a number of unpardonable and irreparable architectural sins were committed.

The two men mention the programme of work commissioned from artists in connection with public-sector building: a kind of fig-leaf that was allowed to account for two, later three, per cent of the cost.

But the resulting statues and mosaics or wall paintings were merely added as an after-thought to the finished building and intended as little more than a welfare measure to help struggling artists to make ends meet.

Complementary

Both are more keenly interested and hopeful of results from the current programme, which goes by the name of Art in the Public Sector.

The exhibition and the catalogue complement each other. Arguably more so than in most such cases, each is essential to fully appreciate the other.

Architects and artists continue to have difficulty in getting together in time to make up a similar team, and a near-perfect "architectural sculpture" such as the Berlin Philharmonie is even more unusual.

Yet Hans Scharoun, the Philharmonie's architect, was nipped in the bud fiscally and in budget terms at a time when penny-pinching in public works was not yet indispensable.

The Philharmonie remains a stroke of luck, and they don't often happen. Nor do such strokes of bad luck as Ipousteguy's statue outside Berlin's International Congress Centre.

It portrays Alexander the Great vanquishing the peoples of the East with the terrifying moderation the powerful can at times permit themselves.

With its portrayal of the victor's magnanimity Ipousteguy may well be a great sculptor, but he certainly isn't a great thinker.

But the local authority officials who commissioned his Alexander seem to *have done even less thinking.*

The idea it might be said to convey is singularly inappropriate at what, it is hoped, will be a hub and turntable of East-West trade.

It is perhaps just as well that next to no-one will understand.

How modestly, how beautifully and how fittingly Hann Trier in contrast painted the Orangerie at Charlottenburg Castle!

He has combined the abstract and the baroque, sensitively reflecting the past in a modern manner. What a world of difference from so many kinds of abstract art!

Other examples of art in architecture that flash a signal and create something significant to combat the anonymous also stand out.

They include Jean Dewasne's painting of a section of Underground railway in Hanover, the strongly-coloured geometrical signs of Günter Fruhtrunk in Bochum, Munich and Neubiberg (the last-named a Bundeswehr college).

There are Otto Herbert Hajek's colourful statues in Mühlheim, Saarbrücken, and Frankfurt am Main (of which Horst Krüger in a TV essay said that contrary to all expectations the city had grown partially "habitable" again).

The writer rather doubts whether, in contrast, it is much fun sitting under Ferdinand Kriwet's neon lights at the Ruhr University in Bochum.

The exhibition feature ample material for debate, which makes it valuable.

The exhibition and catalogue, combined tend to reflect the view expressed by a spray-can artist on the wall of a Kurfürstendamm shopping centre in Berlin.

"Learn how to live," the graffiti artist sprayed. It is indeed easier said than done.

Jürgen Beckelmann

(Stuttgarter Zeitung, 15 August 1983)



Photograph of Anatol Herzfeld's statue on the flats at Dangast, a North Sea village near Wilhelmshaven. (Photo: Catalogue)

■ THE CINEMA

Eliminating the charm of the Sunshine Patriot

The 40th Venice Film Festival opened with a West German film, *Ediths Tagebuch* (Edith's Diary) directed by Hans W. Geissendörfer, and based on a Patricia Highsmith novel.

The trouble with the film is it eliminates the very qualities that lend charm to the novel.

In the book, Edith sees her life pass before her at the moment of her death. Towards the end the author speeds up the narrative.

This principle of accelerated motion is also used by Geissendörfer in the film.

Geissendörfer and Highsmith took a bow together after the Venice screening.

This was irritating, because nobody could have more grotesquely warped the original than Geissendörfer.

Edith is about 30 when the book begins. She, her husband Brett and her 10-year-old son Clifford move from New York to Brunswick Corner.

The journalist couple, of whom the author says, more or less in passing, that they are "American-liberal and a bit left of centre," make their middle class dream of a home of their own come true. But their house becomes more of a prison than a castle for Edith.

In a tortuously detailed narrative, Highsmith describes the decline of a family. She depicts the lethargy of a woman's everyday life, her almost mechanical dedication to duty. Her only escape is the flight into a dream world.

The novel starts in 1955, ending 19 years later with the death of a woman who had tried in vain to lie her way out of the desolation of everyday life.

She describes her dreams in her diary; and the book covers ten years before the vicissitudes of everyday life become so intolerable as to necessitate this safety valve.

Ediths Tagebuch deals with the psychology of a victim, a woman, sapped — as if by vampires — by her neurotic, infantile and obese son Cliffie, her husband Brett (whose liberalism inadequately papers over his pasha attitude) and the uncle from whom she has expectations and who unashamedly permits himself to be doted on. In fact, it never becomes quite clear whether the uncle is just a hypochondriac or whether he indulges in some subtle psychological terror.

The novel is set in the United States, and neither the place nor the period in which the novel is set is exchangeable at will.

This is so because all characters are chained to the American Dream: a vague feeling that failure in life cannot be blamed on misfortune but on one's own failure.

The author describes the ne'er-do-well Cliffie by quoting Tom Paine's War of Independence words about the "summer soldier and the sunshine patriot."

In any event, this is not how Edith wants to be. She fights come hail or storm, wanting to become something of an American heroine. She accepts the American values and ideals, suffers over Watergate and Vietnam, writing in her diary: "True hell is the difference between dreams and reality."

Geissendörfer, who once before made a moderately successful adaptation of a Highsmith novel *(Die gläserne Zelle)*, rushes through the novel like an express train, hastily grabbing for motifs, characters and bits of action.

The net result is the elimination of what lent charm to the novel and were at the root of it: slow decline and erosion under the pressure of life.

The film story starts in 1978 and ends five years later. And even in this shortened time span, the director fails to convey an adequate sense of time to the viewer.

Unlike in the novel, where friends and neighbours have characters and a story of their own, in the film they become anaemic extras and abstractions without a story behind them.

The small American town that Patricia Highsmith describes in such detail has been transposed to a featureless West Berlin that could be anywhere.

The characters have been renamed. They are now Edith, Paul, Chris and Georg.

Edith and Paul are probably supposed to be what has on occasion been called "the children of Marx and Coca-Cola."

In any event, the film intimates from time to time that the student unrest of the 1960s has left its mark.

Geissendörfer's original idea was to make his film narrative start in the late 1960s, and it would have been interesting to see what would have become of it had he done so. As it is, all that remains of the original story is a few trace elements.

The husband brings his girlfriend home for tea; and when, after the divorce, the girlfriend has a baby girl, Edith receives a telegram saying "wish you were here."

None of the Highsmith characters has been able to escape Geissendörfer's brutal hands.

Edith, a monster of conformism and adaptability, is depicted by Angela Winkler as a shrew whom Geissendörfer — and here he is consistent — calls "the only normal and moral character in this story."

Paul (Vadim Glowna) and Edith (Angelika Winkler) in 'Ediths Tage[...]
(Photo: Film[...])

The (at least outwardly) dispassionate and almost merciless description in the novel has been abandoned in the film in favour of a moralising description in which the world is divided into victims and perpetrators.

The novel is marked by a conspicuous absence of anger and hatred, the very feelings that make the creation of a second, artificial, world plausible.

Angela Winkler, whose affected poses and outré gestures have made this film pretty insufferable, is certainly not the type of woman who would meekly put up with everything. She defends herself, at least verbally, and the resignation that remains is neglected by the director.

In any event, the dream image of middle-class happiness is alien to the psychological makeup of the heroine. It is therefore not surprising that the cameraman bathes the the scenes in which Edith dreams of a tomorrow steeped in tried and proven values in a cold, marble-like light that nullifies any idea of happiness.

Clifford, the cowardly, fat son, becomes Chris, an aggressive and violent psychopath.

This provides Geissendörfer with an opportunity to insert brutal [...]
rape and violence, presumab[...]
to popular taste.

Instead of the sense of pa[...]
is so much in evidence in the [...]
viewer is presented with a f[...]
such a hectic fashion that li[...]
and no suspense.

In the novel, the privat[...]
also the political sphere and th[...]
quote conventionally, used [...]
the heroine's emotional state.

The film shows flash-bac[...]
explosions in Beirut and [...]
the Iran-Iraq war.

Geissendörfer does not e[...]
from using the most banal m[...]
ticise political conditions as t[...]
lunacy, using bits of TV ma[...]
making them culminate in th[...]
scene showing Chancellor H[...]
speaking of a centre coali[...]
Edith has long since lost her "[...]

Patricia Highsmith regards [...]
only moderately suited for [...]
Seen in this light, *Ediths Tag[...]*
exception from the rule. Or, [...]
differently: a re-affirmation of [...]
sis that women essentially [...]
"harmony, family and preserv[...]

Michael Sc[...]

(Frankfurter Allge[...]
für Deutschland, 3 Se[...])

Industrial films more than just propaganda

Only about 10 million people a year watch German-made films at the cinema. In contrast there is another category of German-made films seen by 60 million viewers a year, not all of them in Germany.

Industrial films are made to train and inform. They are produced by such corporate giants as Volkswagen and BASF, and are shown in factories, schools and trade fairs.

Once industrial films were self-indulgent self-depiction by companies. There was no such thing as self-criticism.

But this has changed. Pure image-building has been replaced by information on production, work processes and training facilities.

Corporations that once commissioned these films played the very role public film promotion plays today.

In the 1920s and 1930s, Walter Ruttmann made a name for himself with industrial films as did Robert J. Flaherty with his famous Eskimo film *Nanook of the North* which was commissioned by a New York firm of fur traders.

British documentary films of the 1930s were financed by the post office. And it was the French aluminium company Pechiney that commissioned *Le Chant du Styrène* (1957) by Alain Resnais. Georges Franju also worked for industry in that era.

Of course, today there is no sign of such artistic heights.

The industrial film has progressed from an advertising to an information medium. This is shown by the fact that the biggest financier is now the public sector with institutions such as the post office and the armed forces. It is also shown by the fact that more and more industrial films are now no longer intended for the public but for specific target groups.

The intention is to provide training and instruction and to shed light on intricate industrial and administrative processes.

The 500 films a year cost a total of DM50m.

This change in objectives can be seen in the films that took top places at this year's Hanover Festival, held every second year in conjunction wi[...]
ny's largest industrial fair.

Das Grüne (Green) deals [...]
manufacture of graph paper b[...]
ing waste paper.

The other, *Die schwerelo[...]*
(The Zero Gravity Spider) [...]
search into metabolism and th[...]
artificial isotopes in this context.

Naturally, these films do no[...]
earn money because the comm[...]
corporations them have come [...]
that a high-standard industrial [...]
not be made by following the [...]
advertising.

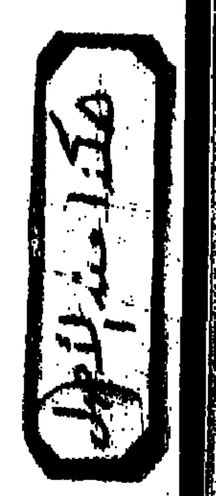
Technical and industrial pr[...]
now no longer seen as aut[...]
tantamount to progress for the [...]
race.

There is hardly a good indus[...]
today that does not stress th[...]
matters is not technical progress [...]
but that this technical progress [...]
fit in the social environment.

As a result, industrial films [...]
only shown in factories and [...]
fairs but also in schools. The [...]
combat the doubts many have [...]
dustry.

This aim is sometimes hamper[...]
the fact that a generation over[...]

Continued on page 13



[PE]OPLE IN THE ARTS

[T]he voice of [un]conventional [a]rchitecture

[...] Otto, 58, is Germany's best-[kn]own architect abroad.

[In G]ermany he is regarded as an ec[...] a source of ideas and technolo[...] [f]antasies who seldom joins in the [...] architectural debate and has sel[dom b]uilt work of his own.

[There] are good reasons why. Frei [...] strongly opposed to conventio[nal ar]chitecture. He says it contradicts [...]

[...]t he aims for is a consensus bet[ween] technology on the one hand and [natur]e on the other.

[Th]e results of building are not what [...] is really interesting. What inte[rests] him are the processes that lead to [...].

[...] is the yardstick he applies to his [...] work too, and he is almost embar[rasse]d when he recalls the Olympic Sta[dium] in Munich, which he and Günter [Be]hnisch designed.

[...] for his Eco-House for the Interna[tiona]l Architectural Exhibition in Ber[lin] [...]ow all the obstacles seem to have [bee]n surmounted he would sooner not [...] it. The idea of seeing it actually [...] is one he doesn't relish at all.

[H]e made these confessions in Stutt[gart] in connection with the latest inter[nati]onal interest shown in his work, an [exhi]bition that will shortly be seen in [Mo]scow.

[Ar]ranged by Frei Otto and his staff, it [is e]ntitled Natural Designs and was [show]n at the Institute of Foreign Rela[tions], Stuttgart, before going to the Shu[sev] Museum of Architecture in Mos[cow].

[It] consists of large-scale photos, scale [mo]dels and informative legends in Ger[man] and Russian and conveys an idea [of th]e processes that fascinate designer [Frei] Otto.

[M]uch of it is a graphic and unusual [...]on in natural history that testifies to [...] close cooperation between Frei Otto [and] leading biologists such as Gerhard [...]icke, the algae expert.

[S]triking similarities between natural [and] man-made buildings are shown and [com]parisons made between modern [...]ing roofs and cobwebs, between [...]-shaped buildings and bird's eggs.

[E]xhibits include the skeleton of a [half]-timbered building in Leonberg, near Stuttgart, and the skull of a brown owl.

Frei Otto . . . seeking a consensus.
(Photo: dpa)

The Matterhorn and grass stamens compete with TV towers and the filigree masonry of Ulm Minster.

Alongside a large photo of a human embryo were are shown the "building component of living nature, the tyre."

Then come designs based on these principles that have made Frei Otto and his institute famous.

They include his Arctic city underneath a marquee roof two kilometres wide and his own home, based on the solar principle, which he and his pupil Rob Krier built.

Krier is no one of the leading post-moderns in architecture.

What interests the Russians in Frei Otto and his work? In future, he says, the Russians don't want to make do with imitations of Western architecture.

This is merely his personal assumption. But the latest exhibition in the Soviet Union will be his second.

In Moscow and Gorki, he says, people are taking a much keener interest in ecological architecture than many in the West are prepared to believe.

Dankwart Guratzsch

(Die Welt, 19 August 1983)

Director gets huge budget to film best-selling book

DIE WELT
UNABHÄNGIGE TAGESZEITUNG FÜR DEUTSCHLAND

The Endless Story, a best-selling book by Michael Ende, is being filmed at the Bavaria Studios in Geiselgasteig, Munich.

The film, directed by Wolfgang Petersen, is scheduled to cost DM60m, which will make it the most expensive ever produced in Germany.

Emden-born Petersen, 42, who has been a film-maker since 1970, will be breaking his own record for the costliest-ever German film.

It was the screen version of Lothar Buchheim's novel *The Boat,* a project that proved too much for even such experienced American directors as Don Siegel and John Sturges.

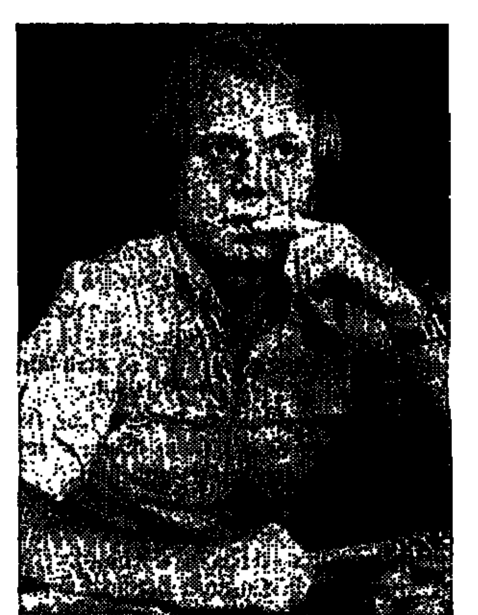
The Boat cost Petersen DM25m to film and earned him not only the reputation of having been responsible for the most expensive German film since the Second World War.

It went on to become the post-war German film that did best internationally and was nominated for no fewer than eight Oscars this year.

Petersen has since had a reputation for being able to handle any material, no matter how gigantic. When a large-budget film beset by difficulties is planned in German studios he is often the last hope.

Another director was originally intended to handle Ende's bulky novel. But he threw in the towel. Writing the screenplay, he said, seemed likely to be as arduous as one of the labours of Hercules.

But with expenses already running into seven figures the producers called in Petersen, who was about to start preliminary work on a film about the mediaeval pirate Klaus Störtebeker.



Wolfgang Peters . . . set to beat own record. (Photo: Patrick La Banca)

He was persuaded to shelve his pirate project for a while and write a screenplay based on Ende's novel. It met with the writer's approval.

But the project that is currently being filmed in Munich now has little in common with the screenplay Ende originally endorsed.

Petersen has had to change the screenplay more than once to satisfy the Americans who are backing the production.

A grandiose allegory on the intellectual pauperisation of man resulting from the suppression of the imagination has been transformed into a fantastic fairy tale along Star Wars lines.

Cinema-goers will be able to form their own judgement when the film is networked next April. Soft-spoken Petersen is unperturbed.

He made a name for himself in the 1970s with films for a TV crime serial. His first full-length cinema film, *Einer von uns beiden,* was nominated for an Oscar in 1974.

When the hue and cry about The Endless Story are over, he says, he will return to work on the film about his favourite pirate, Störtebeker.

Margarete von Schwarzkopf

(Die Welt, 3 September 1983)

Continued from page 12

media fare starts yawning when an industrial film resembles the "cultural film" of the 1950s.

This year's Hanover Festival made this quite clear: many industrial films are still stiff, schoolmasterly and without creativity.

Much too rarely do they depict people and much too often things. But they are made by sound craftsmen.

Foreign viewers seem to like this as an expression of the craftsmanship that is a German hallmark.

At the International Industrial Film Festival in Amsterdam in 1982 six of the 15 German entries (total entries 130) received prizes.

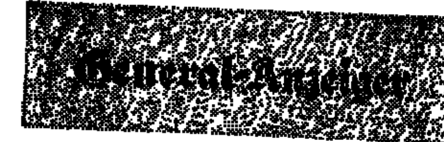
The German Industrial Film Centre in Cologne maintains close contacts with more than 100 countries.

Sven Hansen

(Die Welt, 26 August 1981)

■ MODERN LIVING

Council clamps down on sex in advertising



Sexual discrimination is one of the main grounds for complaints lodged with the German advertising council.

The council, which comprises 10 men and no women, is intended to maintain standards of advertising. It receives between 200 and 400 complaints a year. Its members are drawn from business including advertising and publishing.

One advertisement under scrutiny was for sun blinds. It showed a woman getting undressed behind the blind.

The council censured the ad for excessive use of a woman's sexuality for business promotion. It was withdrawn.

So was a magazine with the heading "Button after Button".

Here, an alluringly young woman with her shirt half unbuttoned was supposed to help sell an alcoholic drink she said that "drinking it loosens button after button."

Another ad showing a blonde with a low-cut dress saying that she likes a particular drink because it makes her lustful little cries more piercing.

But the committee had no objection to another ad for an alcoholic drink about which a woman had complained. The text, a limerick, went roughly like this: "My little mouse from Kiel has almost too much sex appeal. But an X or two makes her docile as a lamb, X always gets you there."

The council said that the text was not aimed at breaking down sexual barriers but at the very opposite.

The number of complaints is low because the advertising industry tries to exercise self-discipline.

Volker Nickel, the committee's public relations man: "We regard ourselves as a consumer organisation and try to draw attention to the fact that we exist."

Some of the complaints are forwarded to either of two organisations in Berlin which sue on behalf of consumers.

Some complaints are rejected, particularly where it is because of personal dislike for a particular product. Occasionally one company wants merely to deal the competition a blow below the belt.

When a complaint is justified, the company is asked to comment. The comments are sent to the committee together with the reasons for the complaint.

An advertisement is regarded as offensive if most of the committee members reject it.

"When this happens, most companies withdraw the ad on the spot," says Volker Nickel.

Those who refuse to withdraw are publicly censured, which can only harm their image, something known as "negative advertising" among admen.

In the 11 years since the committee was established, only two companies have refused to withdraw advertisements and been censured. One was Jägermeister, a distillery.

The stiff criticism by women's organisations has prompted the committee to urge the advertising industry to drop "demeaning and indecent depictions of women."

Nickel stresses, however, that advertising is not meant to shape society; it only reflects it, at best.

Advertising, he says, always always to social developments because it would otherwise be unable to convince the consumer.

In a bid to disprove the criticism by women's organisations, the committee commissioned a survey of advertising discriminating against women.

It turned out that only 26 out of the 2,614 advertisements reviewed showed naked women. Of these, the nakedness was product-related in 16 cases promoting such goods as b ath salts, pantyhose or sun lamps.

In only five of the ads was the nakedness not directly product-related.

Most of the ads showing women (33 per cent) involved leisure; 21 per cent, work; and 19 per cent involved women as housewives and mothers.

The woman who is a housewife and mother and breadwinner is barely in evidence.

Aktion Klartext, an association of women media workers, says the women in ads are so beautiful and perfect that they do not reflect reality.

The advertising industry conveys the image of such ravishing beauty as to make average women undesirable to their husbands, they maintain.

Why, they ask, does advertising not show everyday-woman with whom the women-in-the-street can identify?

The committee has also been criticised for having been a purely male body since its inception.

Women's organisations concede that the members are elected by a democratic process within the umbrella organisation of the advertising industry; but they deplore the fact that women candidates have not received sufficient backing.

The advertising council and the council of German women (the umbrella organisation for some ten million organised women) have been trying to cooperate more closely during the past year.

The council of German women is now also lodging complaints, especially against alcohol ads where tasteless pictures and copy are particularly prevalent.



Watchdog against smut.

In one of these advertisements, a young woman says she drinks a particular alcoholic drink because while she failed the *numerus clausus* (governing admission to university) the drink helped her to "make her number with Klaus."

In its catalogue, a mail-order firm advertises an ashtray in the shape of a sitting nude with the caption: "Extinguish your cigarette on a women's breast. It won't hurt her because she's made of porcelain."

The council also found the caption in poor taste and humiliating to women.

It also rejected a fashion advertisement showing a naked 3- or 4-year-old girl wearing only a price tag.

The stance of the child had a sexual component and such things must absolutely be avoided when depicting children, it ruled.

The rejection of this magazine ad shows the extent to which judgment is a matter of personal taste: a manufacturer of heat exchange pumps showed a young couple sitting together in a bathtub with only the upper parts of their bodies visible.

The council saw nothing that would endanger juveniles or hurt religious feelings. It argued that children who have been raised in an unprudish family would not be endangered and that there is nothing in Christian teaching that forbids couples to share a bath.

Sigrid Latka-Jöhring

(General Anzeiger Bonn, 27 August 1983)



Modern mores v. mediaeval justice: just fun or something more sinister? (Photo: AP)

Boos break at witch tri[...] brush off

Süddeutsche Zei[...]

Nine women clad in black [...] mock witch trial in the [...] man town of Fritzlar. The trial [...] of a two-day medieval market [...] by an itinerant Rhineland fe[...] pe and the town.

As the executioner led the [...] blonde witch before her judges [...] women emerged from among the [...] spectators and unfolded two [...] objecting to the event.

The women tried in vain to [...] witch. Then they threw their [...] the stake and formed a circle [...] to prevent the spectacle from [...] ing.

The police arrived ten minutes [...] as the spectators booed the [...] libbers. About 45 minutes be[...] show resumed.

A week before, protests at the [...] tion to hold the mock trial had [...] lodged by the Greens, the C[...] Church and a Protestant pastor.

The Greens said that the sp[...] minimised the "worst and most [...] events of the Middle Ages."

Church representatives stressed [...] the "gruesome spectacle" for [...] spectators were asked to bring [...] and twigs could have an adverse [...] on children.

The city administration, which [...] vided DM10,000 for the event, [...] unimpressed.

The Protestant minister, Hans [...] Althaus, rejected the show because [...] said it provided no background [...] mation on the subject of which [...] He said that one million people [...] killed in witch hunts in the 15th [...] 16th centuries.

He gave a lecture on the psycholo[...] cal background of witch hunts [...] witch trials and on similar occurre[...] today.

(Süddeutsche Zeitung, 30 August [...])

■ THE ARMS TRADE

Four charged over alleged illegal exports

[...] executives of the Düsseldorf [...]ms manufacturers Rheinmetall [...]een charged in connection with [...]lly illegal arms exports.

[...] include arms sold to Saudi [...]. The affair has been going the [...] for five years.

[...]e 1970s the four accused export[...]s and equipment with Bonn go[...]nt permission to Italy, Spain and [...]ay.

[...]he goods finally found their way [...]ntries for which Rheinmetall [...] have been most unlikely to have [...]iven the go-ahead by Bonn.

[...] ammunition filling plant ended [...] South Africa, about 1,000 mach[...]ns went to Saudi Arabia and rough[...]0 double-barrelled 20-mm field [...] found their way to Argentina.

[...]e of the field guns, officially [...] for Spain, were captured by Bri[...] from the Argentinian forces on the [...]ands.

[...]e Rheinmetall case has once again [...]ht to the attention of a wider [...]e the shady dealing in internatio[...]ms shipments.

[...] paths deliveries take are as a rule [...]mely complicated, and finding out [...] what got where is made even more [...]licated by government complicity.

[...]s manufacturers and govern[...] seem to work hand in glove at co[...] up their traces, and arms deals [...] respecters of ideological or poli[...] barriers.

[...]e German arms industry employs [...] 300,000 people, including those [...] work for suppliers, and arms ex[...] account for an estimated 45,000 [...].

[...] the Federal Republic of Germany [...] no means an also-ran in the inter[...]al league. It is the fifth-largest [...] exporter in the world.

[...]t comes the Soviet Union, which [...]s roughly $8.8bn worth of arms a [...], followed by the United States, [...] annual arms export worth [...].

[...]n come France, $2.9bn, Britain, [...], and Germany, $1.3bn.

[...]n imposes strict safeguards where [...] are bound for trouble spots, but [...]onn governments, regardless of [...] political credentials, have had dif[...]y in enforcing them.

[...]s hard to decide which area is a [...] spot and which isn't and equally [...] to abide by a decision when a luc[...] arms contract seems likely.

[...] the height of the border hostilities [...]een Argentina and Chile over Pata[...]a in 1978 Bonn gave the go-ahead [...] two frigates ordered by Buenos [...].

[...] was given largely because German [...]yards badly needed orders. As in [...]ria and elsewhere, the argument [...] a contract will prevent redundan[...] will often tend to override the dic[...] of conscience.

[...]e growing number of international [...]productions in the arms sector is an[...]r factor that tends to make it more [...]icult to keep tabs on arms exports.

[...]ot and Milan anti-tank missiles [...] been sold to about a dozen non-[...]o countries, including Egypt, Iraq [...] Syria.

[...]e Roland anti-aircraft tank has [...]n sold to Nigeria, Argentina and [...]azil.

All three systems are marketed from France by Euromissile, a Franco-German company. They include parts manufactured by Messerschmitt-Bölkow-Blohm and others.

Even if the Saudi Arabians are not allowed to buy the Leopard tank, the US-made alternative model is equipped with a Rheinmetall gun.

There is even a German connection in respect of the Exocet missiles that knocked out the destroyer Sheffield in the Falklands war.

They were fired by Argentinian pilots of Mirage jets and, like the Mirage, were French-made. But they are said to have been equipped with Messerschmitt-Bölkow-Blohm detonators.

Keeping an eye on which weapons are supplied to whom is made more difficult still by manufacture under licence and the export of entire ordnance factories.

The G3 rifle, manufactured by Heckler & Koch, is currently made under licence is Iran, Pakistan, Saudia Arabia, Thailand and Brazil too.

Experts estimate that over 60 armies around the world are equipped with the G3, and manufacture under licence is growing increasingly widerspread for larger weapons.

When Argentina ordered two submarines from a German shipyard it did so on condition that it was allowed to build four more, slightly smaller submarines at Argentine shipyards with the aid of German know-how.

They insisted on similar terms in connection with their order of the two frigates from Blohm & Voss in Hamburg.

Howaldtswerke-Deutsche Werft, also of Hamburg, agreed to comparable terms with India in 1981, building two submarines in Germany and allowing two more to be built in India.

Since 1980 Argentina has built under licence from Thyssen-Henschel the TAM and VCTP battle tanks, both of which contain parts supplied by virtually all major German arms manufactures.

The engines are made by MTU, a jointly-owned subsidiary of MAN and Daimler-Benz. The transmission unit is made by Renk, a Guterhoffnungshütte subsidiary.

AEG supply the electronics, Zeiss the optics, Diehl the tracks and Thyssen the special steel.

Experts are afraid that tanks manufactured under licence in Argentina may soon find their way to other non-Nato countries.

Even when arms and equipment made in Germany are sold to Nato and other countries that are not felt to be in any way untrustworthy there can be no guarantee they might not end up somewhere undesirable.

Arms dealers almost always operate in a manner that is not strictly legal, while many countries strictly refuse to consider terms which stipulate that they cannot re-export arms they buy.

They argue that any such provision is an inroad into their sovereignty. Countries that use this argument include Israel, which handles 26 per cent of the arms trade with the Third World.

Britain and France, which are Bonn's main partners in the arms trade, likewise refuse as a rule to agree not to re-export arms bought from Germany to other countries.

The only deals for which consultations are required are sales of arms and sensitive technology to the East Bloc. They are subject to Cocom regulations, which are binding on Nato countries and Japan.

Legal proceedings in respect of illegal arms exports can be as problematic as keeping a check on where the arms go.

Most legal experts are agreed that the German legal provisions fail to clearly state where legality ends and illegality begins.

Jürgen Waldowski, a Düsseldorf lawyer who works as a consultant to Rheinmetall, makes subtle distinctions in connection with a shipping certificate issued by Bonn.

The certificate, which amounts to an arms export go-ahead, is not null and void merely because the supplier was subsequently discovered to have submitted inaccurate information about the country of destination.

This "slip of the pen" is not, he argues, a criminal offence. It is merely a minor offence for which a fine of up to DM10,000 may be imposed.

There is no way, as the law stands, in which it can be said after the event to have been a criminal misdemeanour. It would only have been a criminal offence if no permit had been issued.

This is the charge levelled by the Düsseldorf public prosecutor's office in its proceedings against the Rheinmetall executives.

But because the evidence includes classified documents the proceedings are being held in camera.

The public prosecutors are clearly unmoved by the fact that Rheinmetall applied for and was issued with valid shipping documents for the orders in question.

They are convinced that documents found when police searched Rheinmetall's offices two years ago prove the management knew beforehand that shipments were intended for destinations other than the ones they stated.

The prosecution's case is based on more than vague suspicions, if the reaction of the Düsseldorf district court is any guide.

After studying the submission for three weeks the court ruled that arrest warrants for the accused on grounds that they were likely to decamp were entirely justified.

They were released on bail, but Rheinmetall had to stand surety for DM22m and the four accused had to raise a further DM770,000 before they were released.

Hans Otto Eglau

(Die Zeit, 2 September 1983)



No knocking spots off this one . . . the Leopard Mk 2. (Photo: Sven Simon)

Swiss opt for German tank

Bonn has won a tank battle against Washington now Switzerland has decided to buy the Munich-built Leopard tank rather than the American M-1.

The Swiss plan to buy 420 Leopard Mk 2s over a period of 15 years. The contract is worth 4.5bn francs, or roughly DM5.5bn at today's prices.

They are buying the first 35 off the peg from the German manufacturers. The remainder will be manufactured under licence by Contraves, a subsidiary of the Swiss arms multi, Bührle AG.

Two prototypes of each model were put through their paces in the Swiss mountains over a trial period of two years.

Fire power, mobility and protection were the main criteria, and this is how the two are said to have compared:

- The Leo II is superior in fire power. It has a 120-mm smooth-bore gun, whereas the M-1 still has a conventional 105-mm Nato tank gun.
- The German tank is likewise better in mobility, transmission reliability and chassis. At high speed one of the M-1s twice got out of control.
- The two tanks are roughly equal in the ballistic and armour protection they provide.

Swiss militiamen, who are reservists and not regular soldiers, surprisingly took only three weeks to learn how to handle the sophisticated Leopard.

But the Swiss would like to see several changes made to the model they are to have. Their Leopard is to be fitted out with a digital computer capable of handling the calculations for a wider range of ammunition.

Hundreds of German companies will supply parts and systems for the Swiss firm that will be manufacturing the tank under licence.

Yet a Swiss-made Leopard will still be much less expensive than an M-1 manufactured under licence.

The German Bundeswehr has ordered 1,800 Leopard 2s. A further 445 have been ordered by the Dutch army. About 1,500 companies are working on the contract.

A spokesman for the main contractors, Krauss-Maffei of Munich, said the Swiss government's decision, which has yet to be given parliamentary approval, was most encouraging.

But more jobs were unlikely to result. "We still have leeway," he says. "We are not working flat-out."

dpa

(Hamburger Abendblatt, 25 August 1983)